



2023 | Venture Investment Report

# Emerging Venture Markets Report

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The Middle East, Africa, Pakistan & Turkey

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2023 Emerging Venture Markets  
Investment report

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# Foreword

## Mindful of the World but Focused on the Future”

MAGNiTT’s 2023 Emerging Venture Markets (EVMs) report reflected a strong Q1 for venture capital in the Middle East, Africa, Pakistan and Turkey. However, this was driven by the hangover of post-pandemic positivity, which distorted the delayed impact of global macroeconomic challenges and was not grounded in real-world sentiment.

Funding and deal levels in EVMs were quickly tempered by the slowdown that the global venture capital industry experienced as a whole, amidst a backdrop of economic uncertainty and geopolitical tension. Tech companies and large corporations continue to announce layoffs, while some are shutting down markets or entire operations, including in Emerging Venture Markets.

The industry as a whole has responded to some excessive valuations, along with a momentary pullback in investing highlighting the importance of more cautious decision-making, a requirement for greater due diligence driven by deeper data analysis, and the need for robust corporate governance across the entire industry, for both startups and VCs alike.

### New Year, New Markets, and New Features at MAGNiTT

We are gearing up for a busy 2023 with our continued geographic expansion, as we prepare to integrate data on ventures from Southeast Asia. This will further complement our strong foundations in Emerging Venture Markets allowing clients to compare data sets against the world for specific country, industry, company, and ecosystem benchmarking.

In addition, we will reinforce our platform’s coverage with more company information, digital metrics, and increasingly diverse investment data as we see

greater interest from new types of investors, which we expect to add even greater decision-making value for founders, investors, and advisors while we explore integrating private equity data in the future.

Last, but not least, is an area that carries tremendous innovation for MAGNiTT: predictive analytics. While much of our analysis and our tools have been historically focused, we are introducing new algorithms to provide forward-looking predictive analysis for our clients. Until then, we hope you find the data and insights in the 2023 Venture Investment Report to be a useful reference, and we invite you to explore more on the MAGNiTT platform.



**Philip Bahoshy**  
Founder and CEO

# What We Think Will Come Next

## Five Predictions for 2023

### 1 Valuations return to pre-pandemic norms

The reduced availability of capital to fund an ever-increasing number of startups, combined with broader macroeconomic conditions, has and will continue to lead to the normalisation of startup valuations. As MAGNiTT now tracks these valuations on our platform, we predict valuations will settle around pre-pandemic levels soon and that there will be acute differences in valuations across geographies.

### 2 Another record year of M&A

Alongside a correction in valuations, and given the challenges with raising funds in an environment of higher interest rates, a subdued IPO market globally, and more urgent cash conservation imperatives, some startups will be seeking acquisitions as an alternative to fundraising. This provides an opportunity for international startups, regional corporates, and well-capitalised regional companies to acquire promising EVM startups to achieve scale.

### 3 Wider geographical investment divergence

This will be largely driven by the success of local government initiatives. Countries with strong government support and policies, like KSA and the UAE, will continue to see further programs, funds, and funds of funds deployed to support startups within their borders, while startups in geographies that do not have a focus on innovation in the current economic environment are likely to struggle.

### 4 Increased interest from Asia

Asia as a whole is engaging more with EVMs e.g. the recent China-Arab States Summit in Saudi Arabia attended by Chinese President Xi Jinping and upcoming roadshows by major conferences to attract startups and investors from Asia. MENA is primely positioned as a launchpad into Africa. This will further accelerate cross-pollination of companies acquiring competitors for regional growth and expansion, and increased Investor appetite in EVM startups from SEA.

### 5 SEED/ Series A “sweet spot”

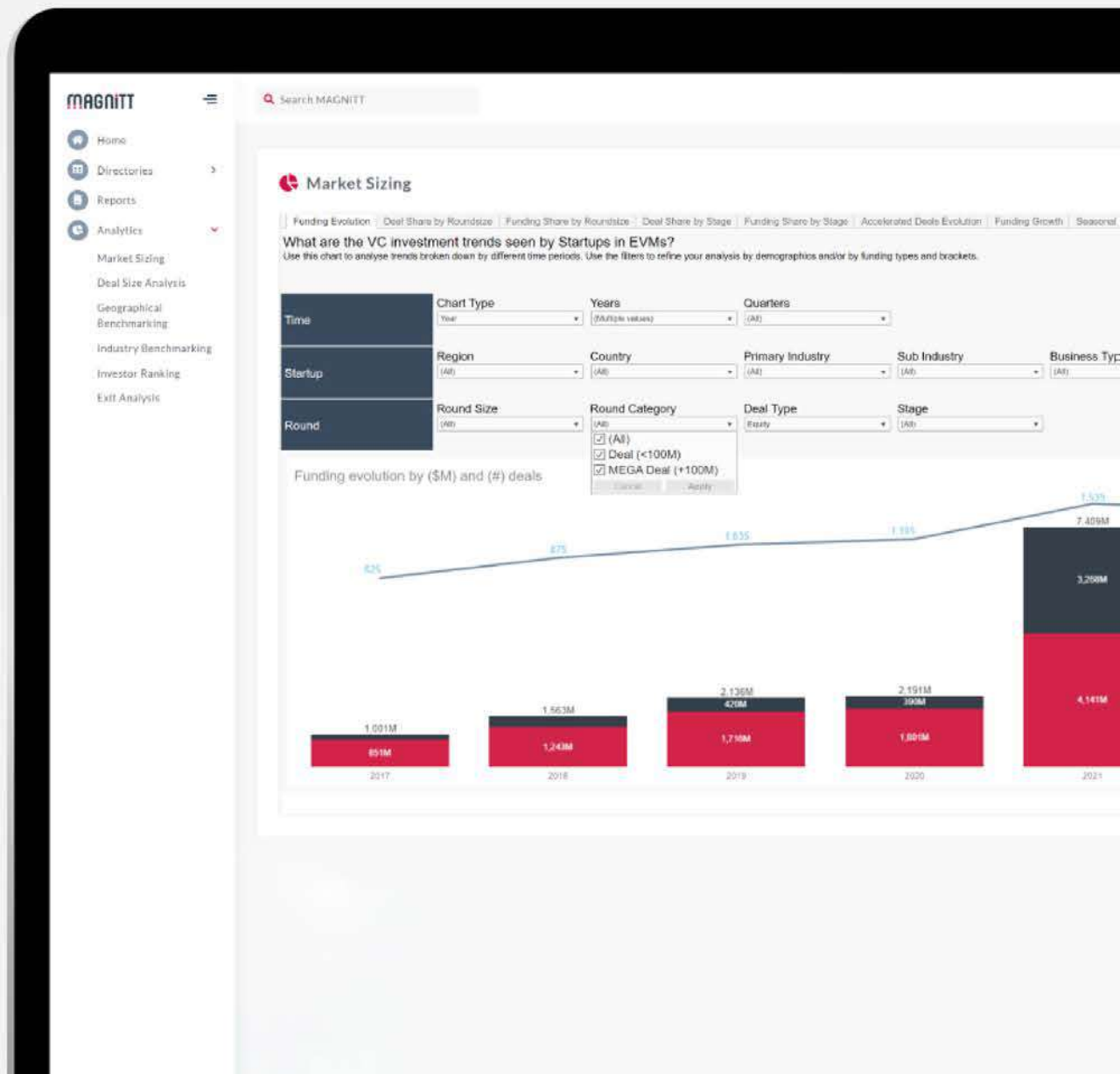
Late-stage investment will be hard to come by due to a lack of liquidity in the market. Investors will generally look to focus on their current portfolios, although some with dry powder will seek opportunistic investments. With the normalisation of valuations, we expect an increase in deal flow towards startups raising SEED rounds or early Series A as the sweet spot for potential investment, specifically if the startup has a proven product-market fit and a clear path to monetisation.



# Advanced Analytics

From market sizing, benchmarking geographies & industries to analyzing investor activity, our pre-built charts help you visualize Venture Capital data

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Looking for Opportunities  
Through Turbulent Times

January 18th, 4 PM - 5 PM GST

[Save your seat](#)

## Looking for Opportunities Through Turbulent Times

January 18<sup>th</sup>,  
4 PM - 5 PM GST



Phillip Bahoshy  
Founder and CEO

Section 01

# EVM SUMMARY

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Venture capital funding trends, including round size analysis, investor ranking, and exits across Middle East, Africa, Pakistan and Turkey

# Executive Summary | EVM

**\$7.2Bn**

Total Funding



MEAPT funding was down by 2% from its level in 2021, however quarterly funding performance saw similar trends to global venture capital markets.

**#13**

MEGA Deals



Despite a contraction in the value year on year, MEGA deals managed to account for 37% of total funding in 2022. The number of MEGA deals was one less than 2021.

**#1,473**

Total Deals



Transactions declined by 4% in 2022. The number of deals decreased faster than funding, causing mean value to rise from \$5.6M in 2021 to \$5.9M in 2022.

**#144**

Record Exits



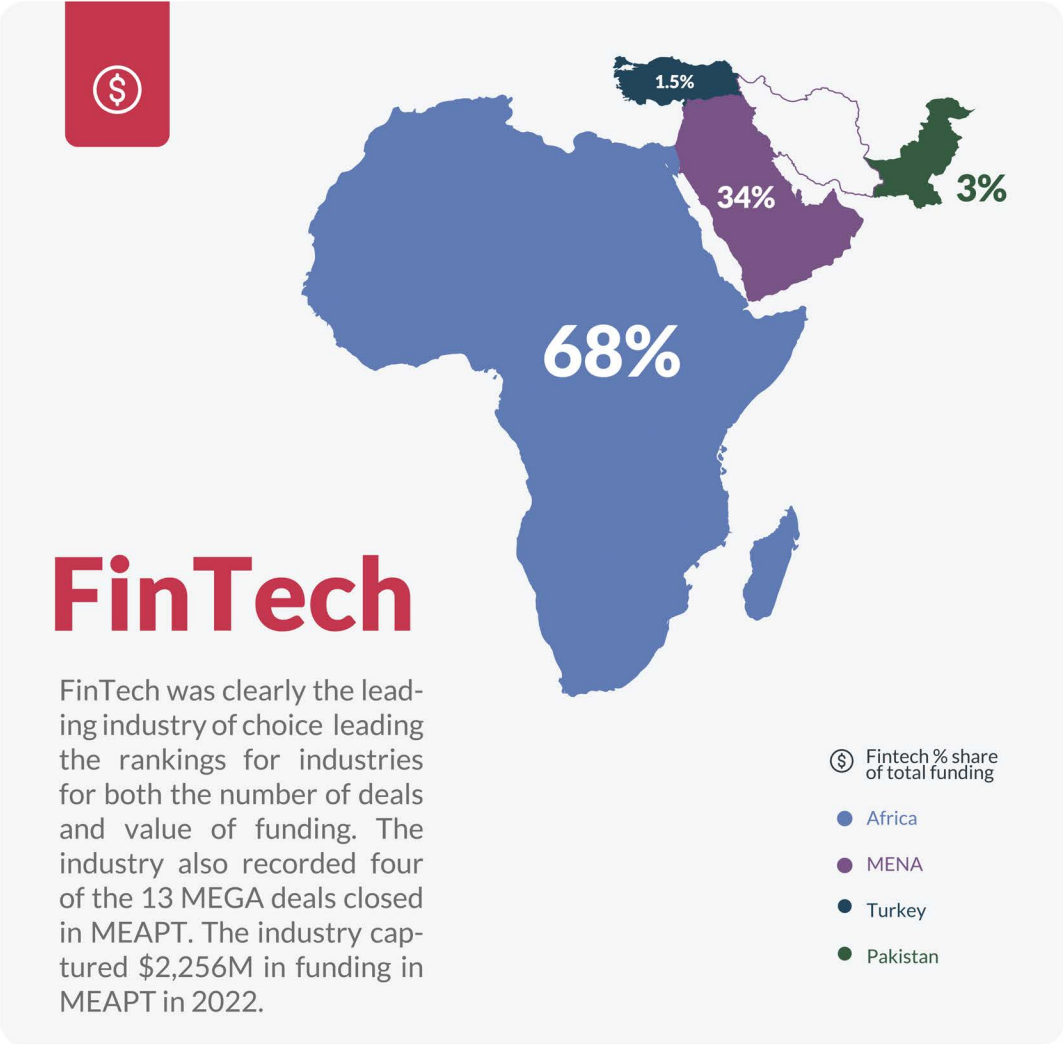
More exits than any previous year with MENA accounting for 50%. 62% of exits were for companies founded five or less years ago.

## Turkey Leading Country in Funding & Deals

Turkey topped EVM countries with 295 deals, followed by Nigeria with 198 deals and Egypt third with 160 deals. Turkey captured 23% of total funding, driven by three MEGA deals. The UAE ranked second with a share of 16% and KSA followed with a share of 14%.

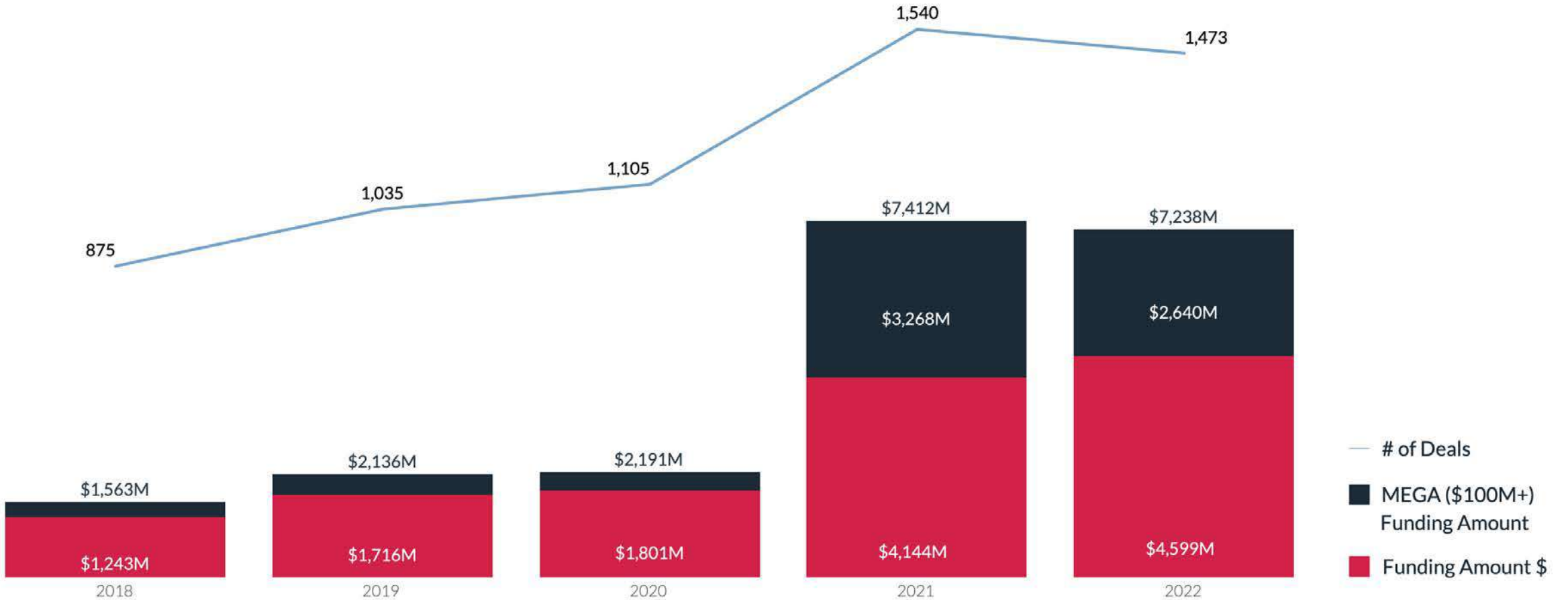
## Q1 Top Performing Quarter

Q1 was the best performing quarter in 2022 across all geographies of MEAPT as the notably positive performance of 2021 spilled over into the beginning of 2022 before the onset of global uncertainties which impacted the Venture Capital Industry.

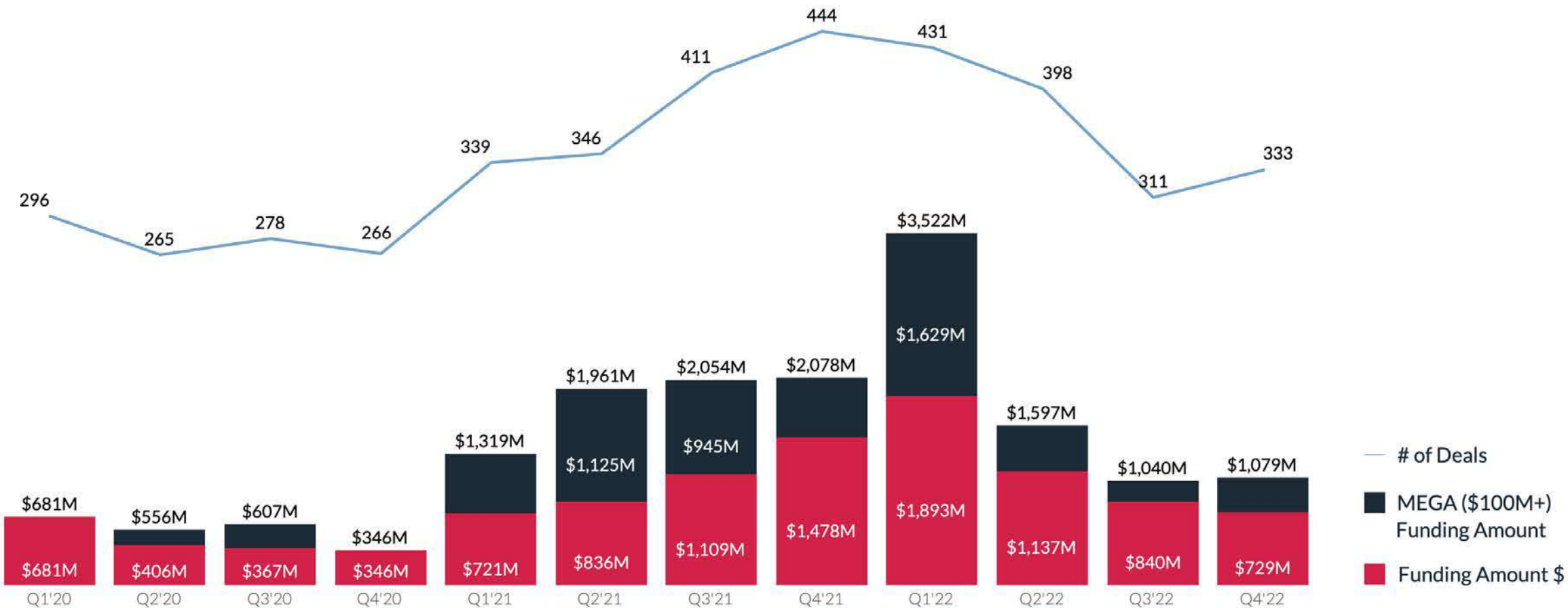




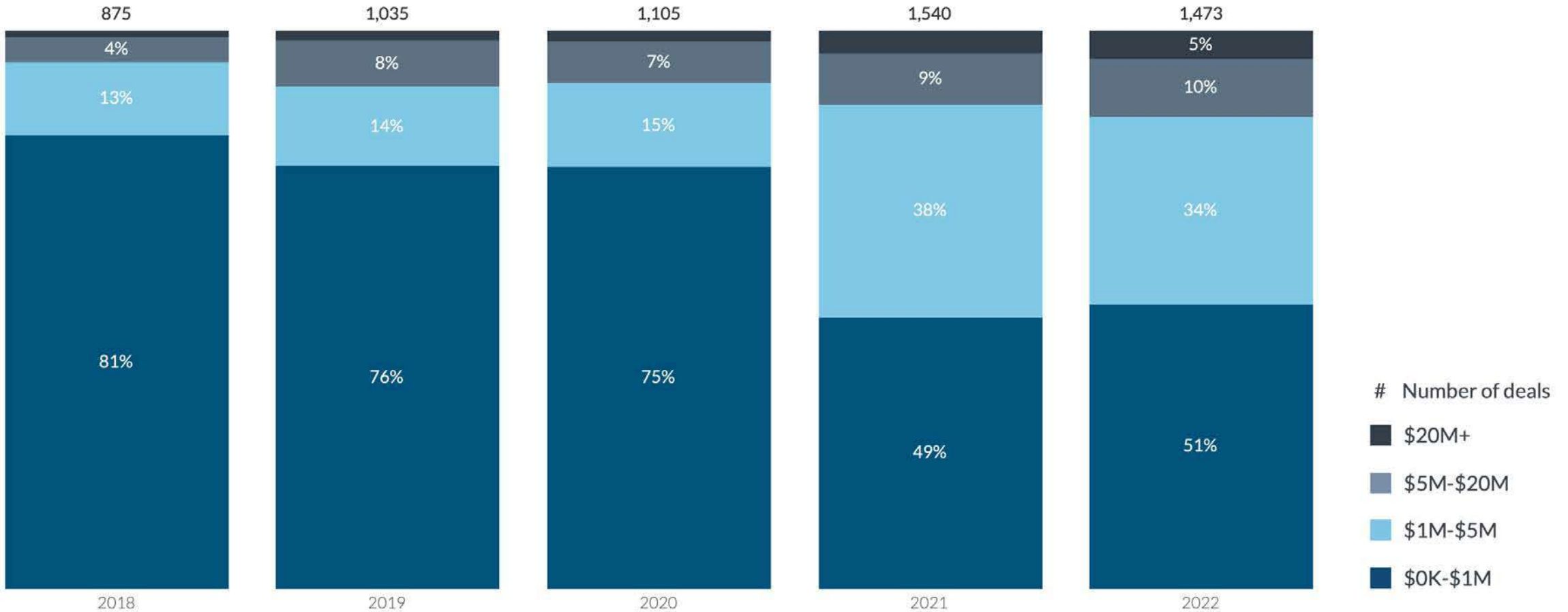
## Venture funding remained above the \$7BN mark in 2022 though below its 2021 levels driven in part by a decrease in the value of late stage MEGA deals



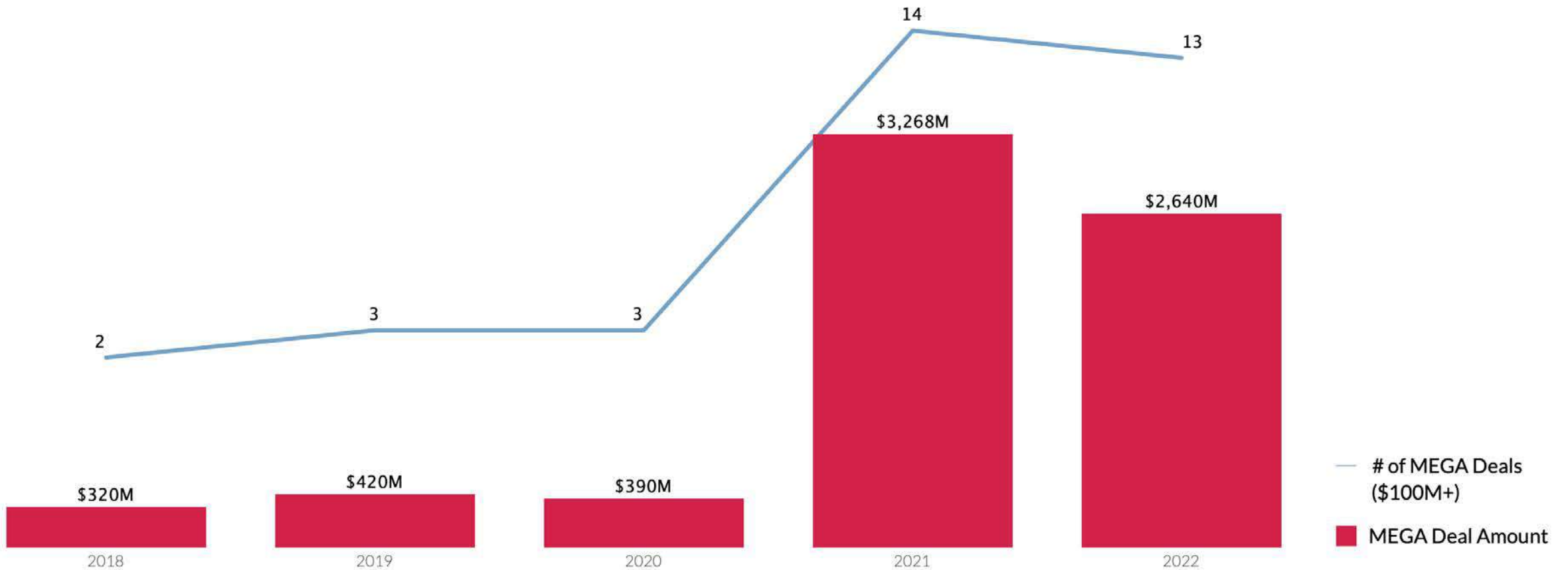
2022 saw a quarter-on-quarter decline in both the number of deals and the value of funding, down from a top performing first quarter to Q3 lows in line with the global VC landscape



## 2022 and 2021 reported a similar breakdown in funding size, with a continued focus of investors on investments between \$1M-\$5M



The total number of MEGA deals in 2022 was near its 2021 highs, albeit the value of these late stage investments fell by 19%



# The ten most active investors by deals were all Venture Capital firms, nine of which invested in two or more regions

No.	Investor	Investor Type	HQ Location	# of Investments	# of Investments by Region
1	Flat6Labs	Venture Capital (VC)	Egypt	64	33% Middle East, 66% North Africa
2	500 Global	Venture Capital (VC)	United States of America	58	62% Middle East, 22% North Africa, 9% Pakistan, 3% SS Africa, 3% Turkey
3	SOSV	Venture Capital (VC)	United States of America	26	12% Middle East, 8% North Africa, 50% Pakistan, 27% SS Africa, 4% Turkey
4	Plug and Play Ventures	Venture Capital (VC)	United States of America	22	14% Middle East, 32% North Africa, 45% SS Africa, 9% Turkey
5	Launch Africa	Venture Capital (VC)	Mauritius	21	24% North Africa, 76% SS Africa
6	Shorooq Partners	Venture Capital (VC)	United Arab Emirates	21	67% Middle East, 19% North Africa, 14% Pakistan
7	Endeavor Catalyst	Venture Capital (VC)	United States of America	17	47% Middle East, 29% North Africa, 6% Pakistan, 12% SS Africa, 6% Turkey
8	Global Founders Capital	Venture Capital (VC)	Germany	17	53% Middle East, 12% North Africa, 12% Pakistan, 24% SS Africa
9	Future Africa	Venture Capital (VC)	Nigeria	16	100% SS Africa
10	Plus VC	Venture Capital (VC)	United Arab Emirates	16	44% Middle East, 56% North Africa

■ Middle East 
 ■ North Africa 
 ■ Pakistan 
 ■ SS Africa 
 ■ Turkey

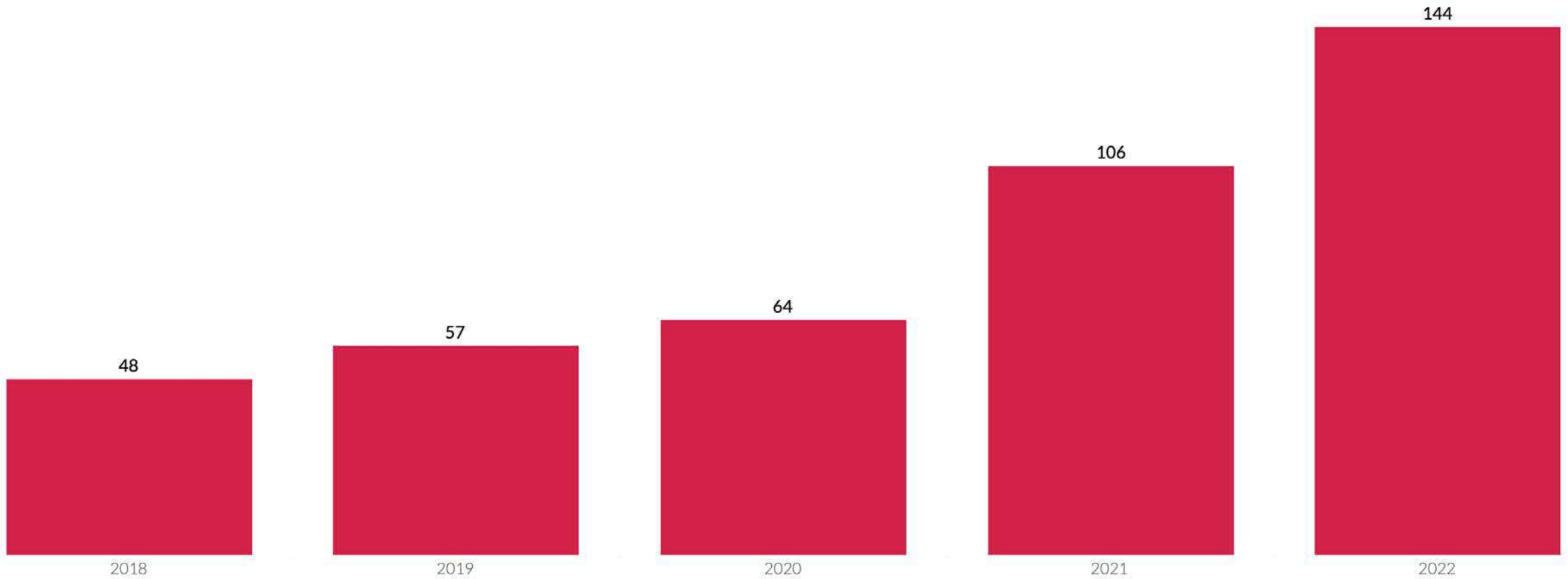
## The ten investors who deployed the most capital accounted for a 16% share of total EVM funding in 2022

No.	Investor	Investor Type	HQ Location	Est. Capital Deployed	Est. Capital Deployed by Region
1	Mubadala Ventures	Venture Capital (VC)	United Arab Emirates	\$293M	15% Middle East, 85% Turkey
2	Sequoia Capital	Venture Capital (VC)	United States of America	\$153M	4% Middle East, 96% Turkey
3	Endeavor Catalyst	Venture Capital (VC)	United States of America	\$113M	72% Middle East, 8% North Africa, 5% SS Africa, 15% Turkey
4	STV	Venture Capital (VC)	Saudi Arabia	\$78M	94% Middle East, 6% Turkey
5	IMM Investment Corp.	Venture Capital (VC)	South Korea	\$60M	100% Middle East
6	Sanabil Investments	Venture Capital (VC)	Saudi Arabia	\$55M	100% Middle East
7	Griffin Gaming Partners	Venture Capital (VC)	United States of America	\$55M	100% Turkey
8	Makers Fund	Venture Capital (VC)	Singapore	\$54M	100% Turkey
9	Balderton Capital	Venture Capital (VC)	United States of America	\$53M	100% Turkey
10	Shorooq Partners	Venture Capital (VC)	United Arab Emirates	\$53M	91% Middle East, 7% Pakistan

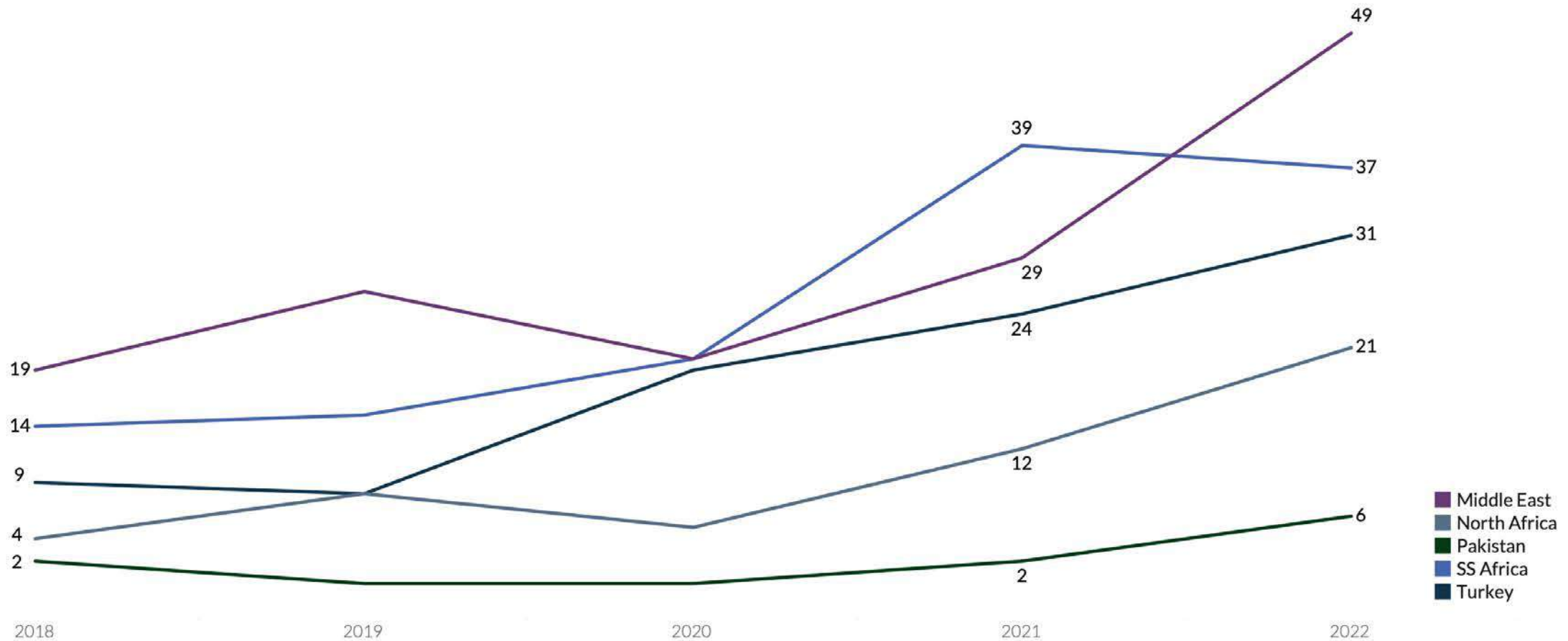
Estimated capital deployed is an estimate based on the round size, stage, and this investor's other investment.

■ Middle East 
 ■ North Africa 
 ■ Pakistan 
 ■ SS Africa 
 ■ Turkey

## Exits rose by 36% year-on-year across MEAPT in 2022, making it a record year for M&A



## Most EVM geographies saw an increase in exits in 2022, with the Middle East reporting the highest number of exits





# Ecosystem Insights

“ We always hear about the importance of data and having a data-driven culture in startups, however, the past couple of years have shown that not all founders or investors are taking enough time to understand their own data - from unit economics to free cash flow.

I'm hoping the current market conditions help our ecosystem reset and have a disciplined focus on the fundamentals of the businesses we're building. Now more than ever, the key to unlocking value lies in the data and we have the opportunity of our lifetimes to build better and stronger companies over the next few years.

**Sharif ElBadawi**  
CEO - Dubai Future District Fund



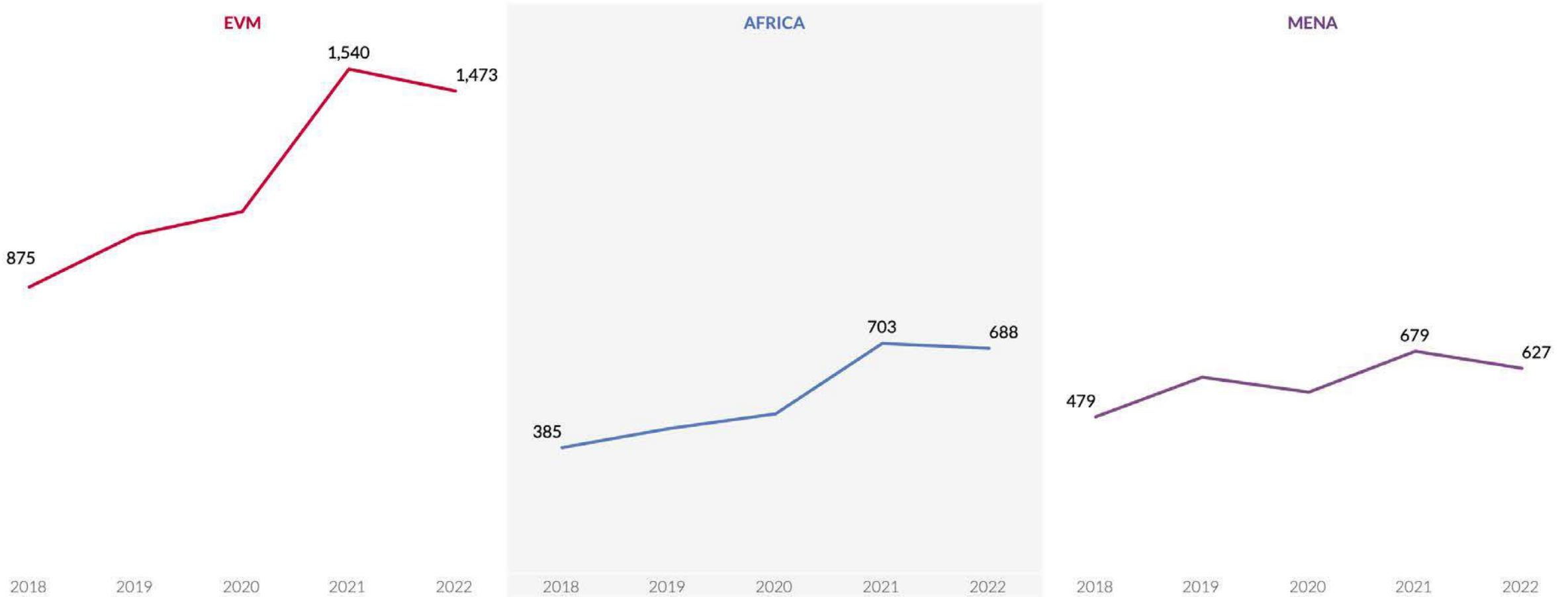
Section 02

# REGIONAL OVERVIEW

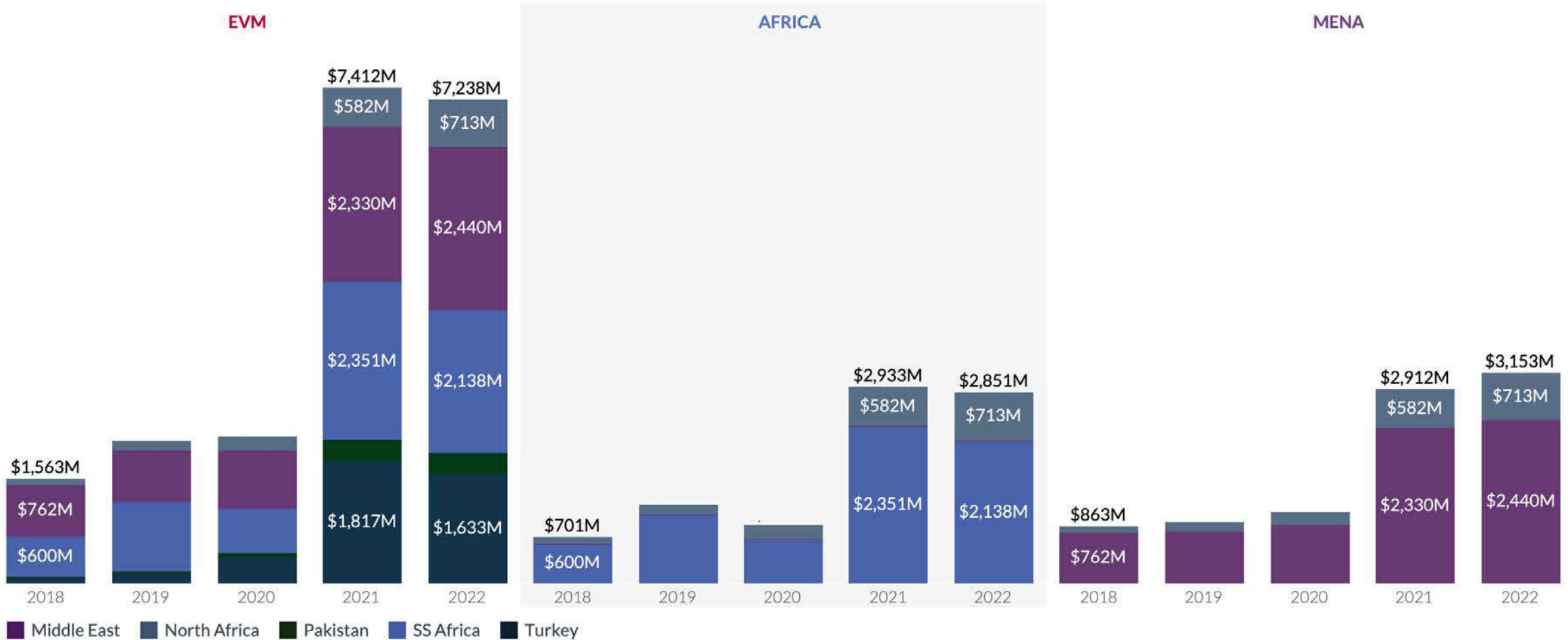
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Regional comparison of funding trends, including mean  
and median deal size analysis

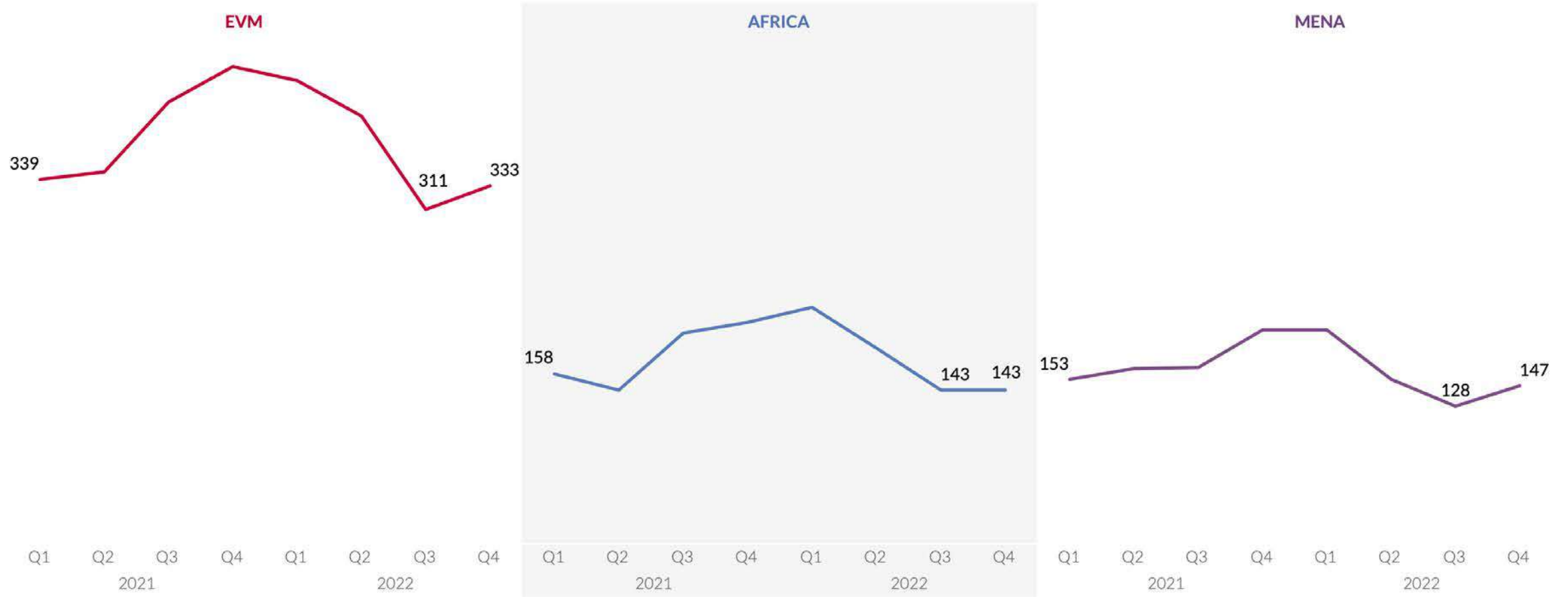
While EVMs on aggregate saw a 4% decline in deal activity, the MENA region posted a higher year-on-year decline (-8%) in number of deals compared to Africa (-2%)



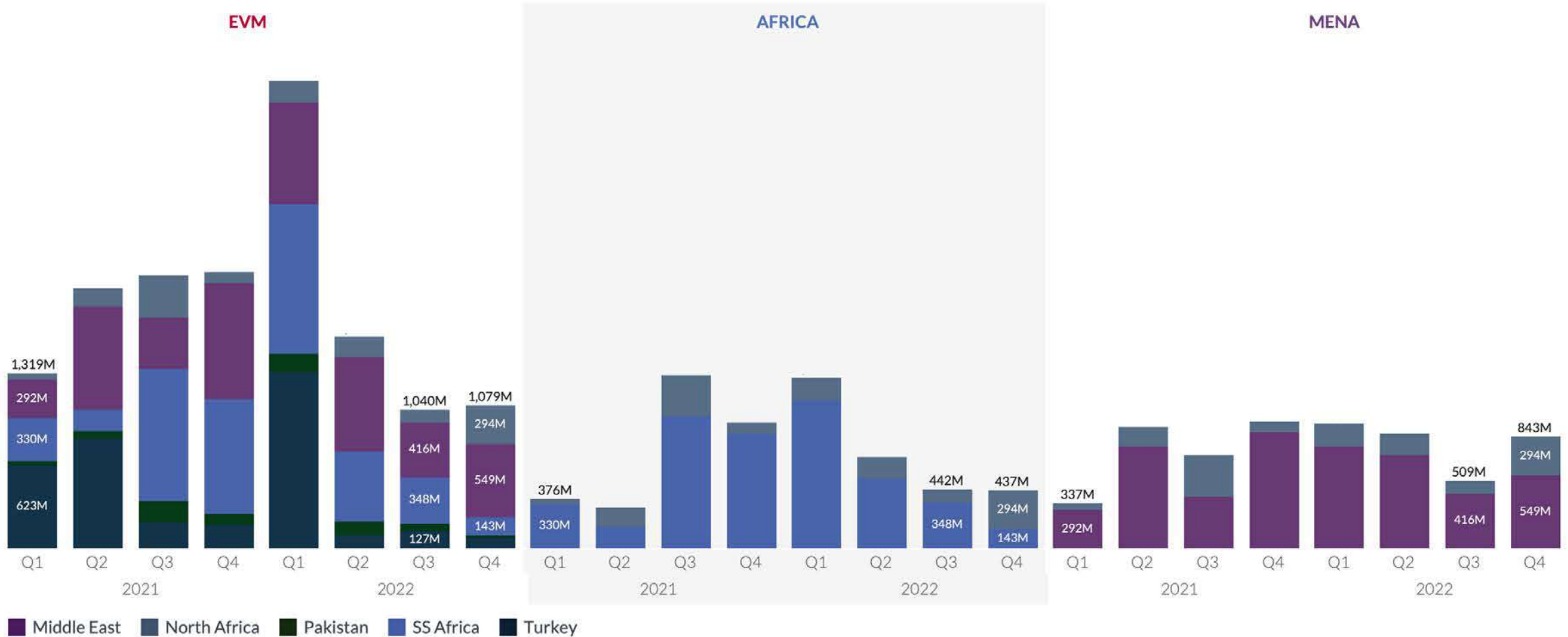
# Regional funding remained flat year-on-year



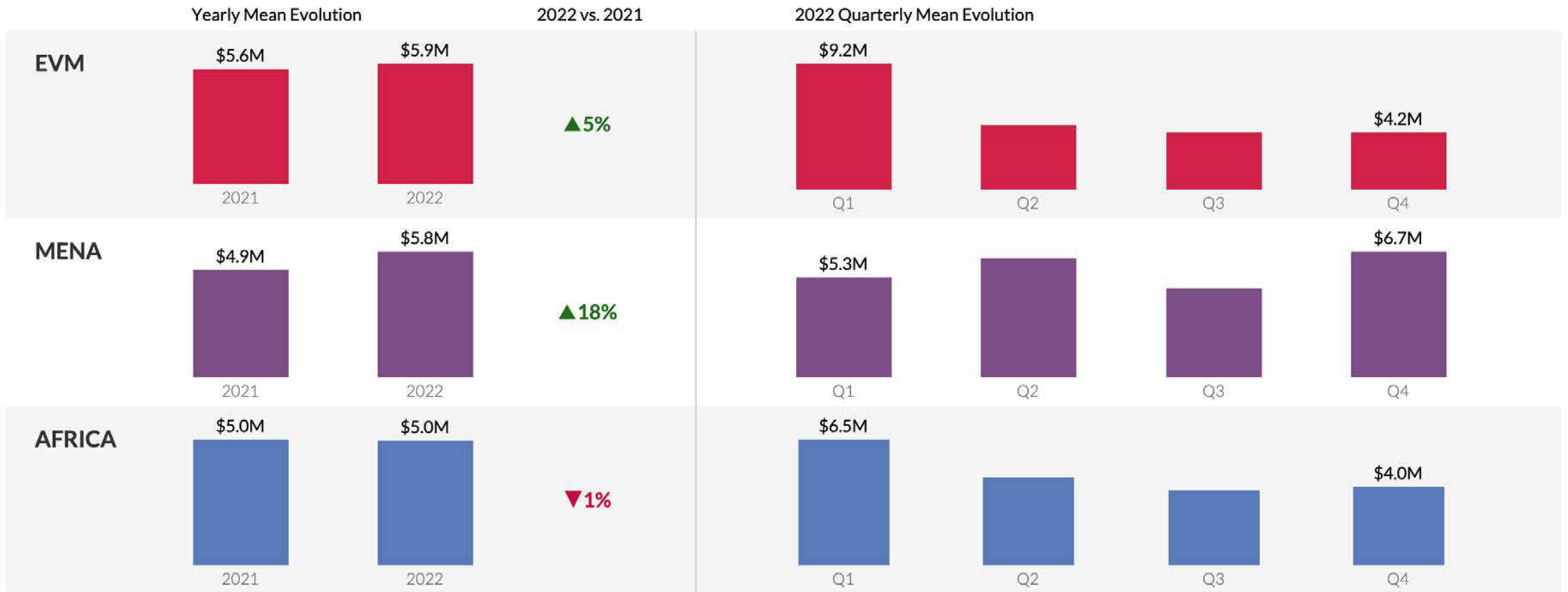
## All regions saw a strong start to the year followed by a consecutive decline in deal flow



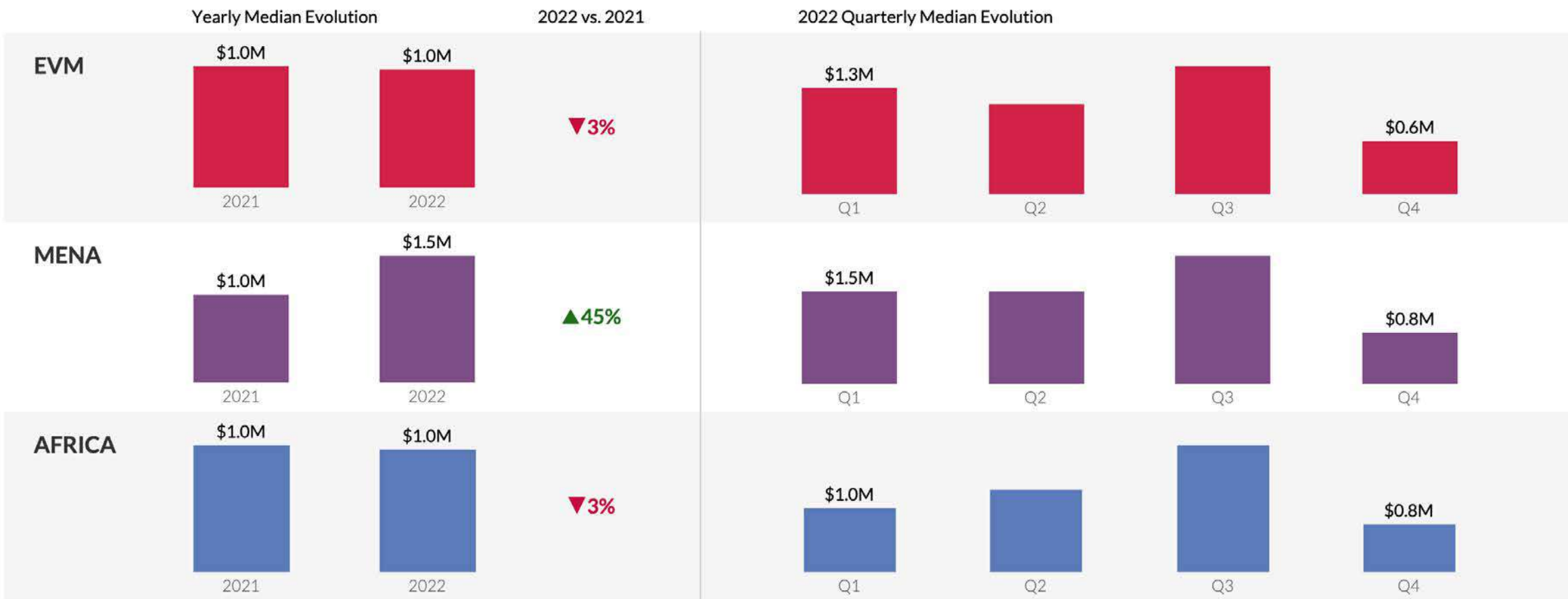
# The second half of 2022 saw quarterly funding decline to levels dating back to early 2021



## Mean deal size across all regions saw a progressive decline through 2022, reflecting the sentiment of valuation re-adjustments to pre-pandemic norms



## Despite full year median deal size for 2022 matching 2021 figures, Q4'22 data saw the lowest recorded across all geographies, reflecting a further slowdown in Venture Capital activity





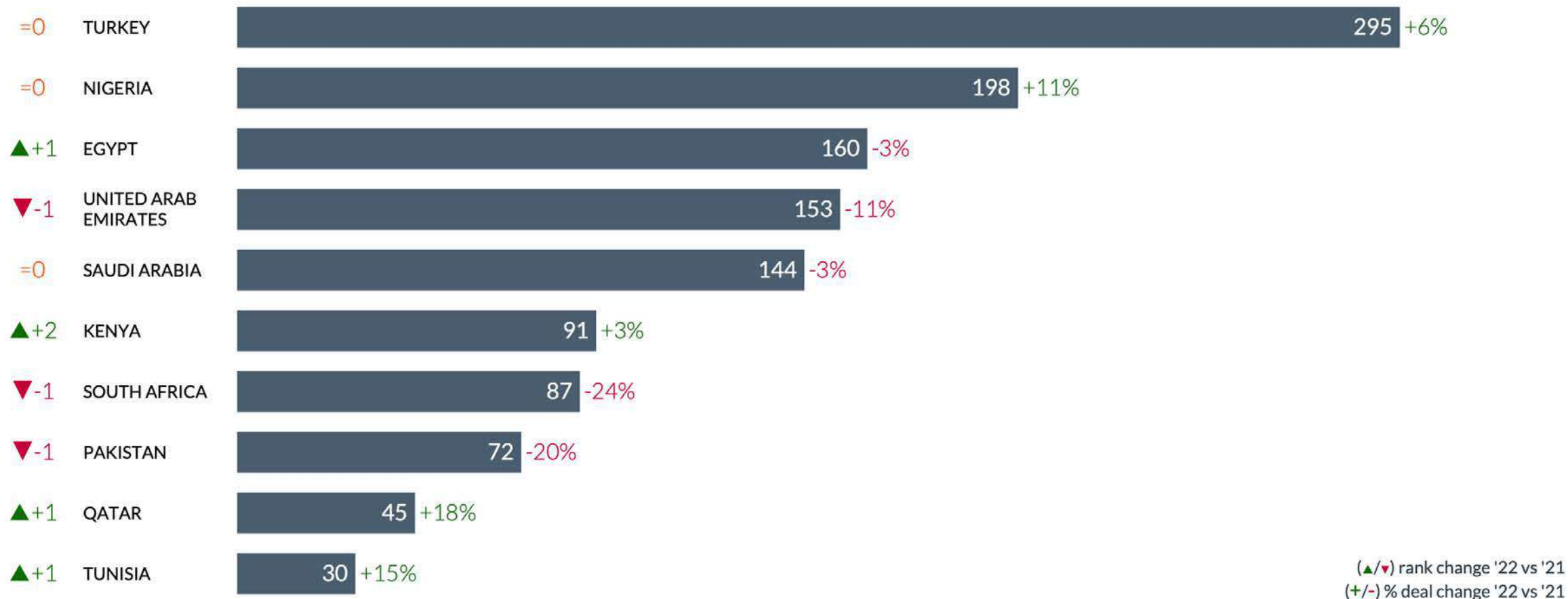
Section 03

# COUNTRY DEEP DIVE

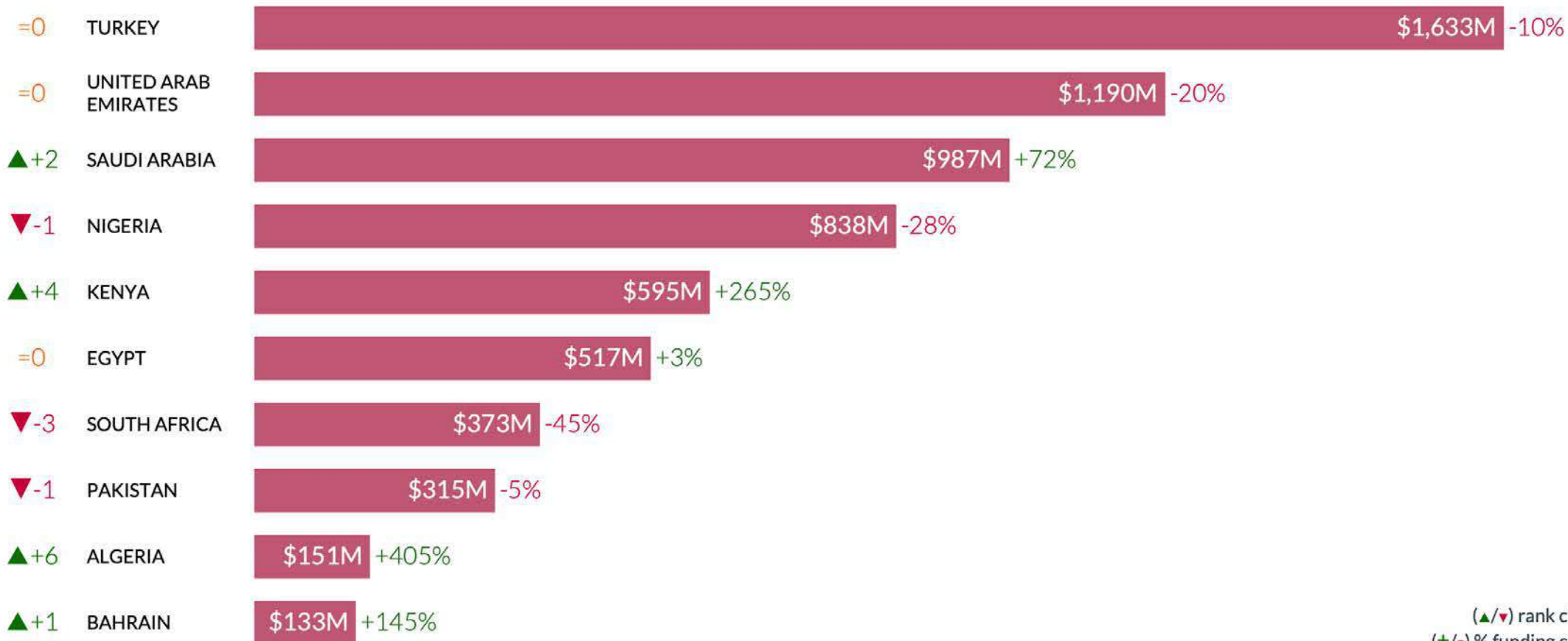
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Funding trends, ranking & comparison of the top industries across  
Middle East, Africa, Pakistan and Turkey

## Turkey continued to top EVMs by the number of deals, followed by Nigeria in second which ranked first across Africa. Egypt ranked third claiming the top spot for the MENA region

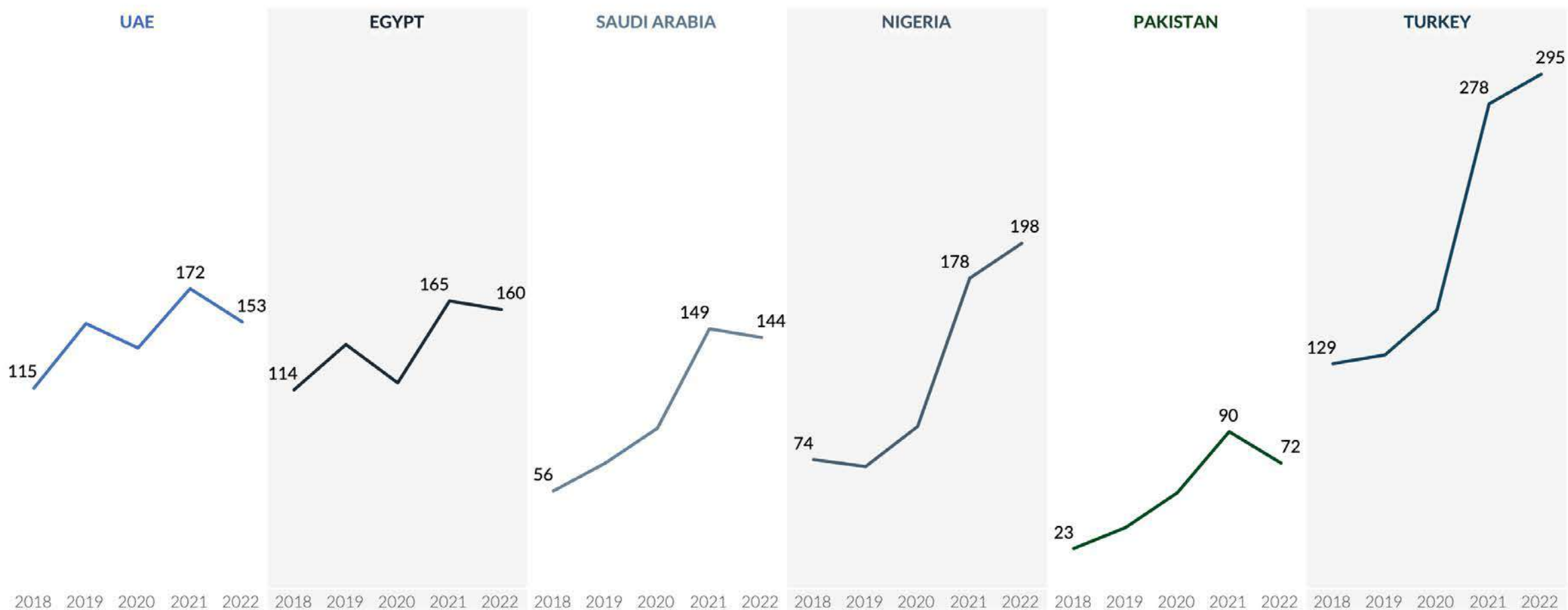


## Driven by large MEGA deals, Turkey and the UAE continued to lead EVMs in funding. Saudi Arabia was the only country in the top three to see an increase in funding

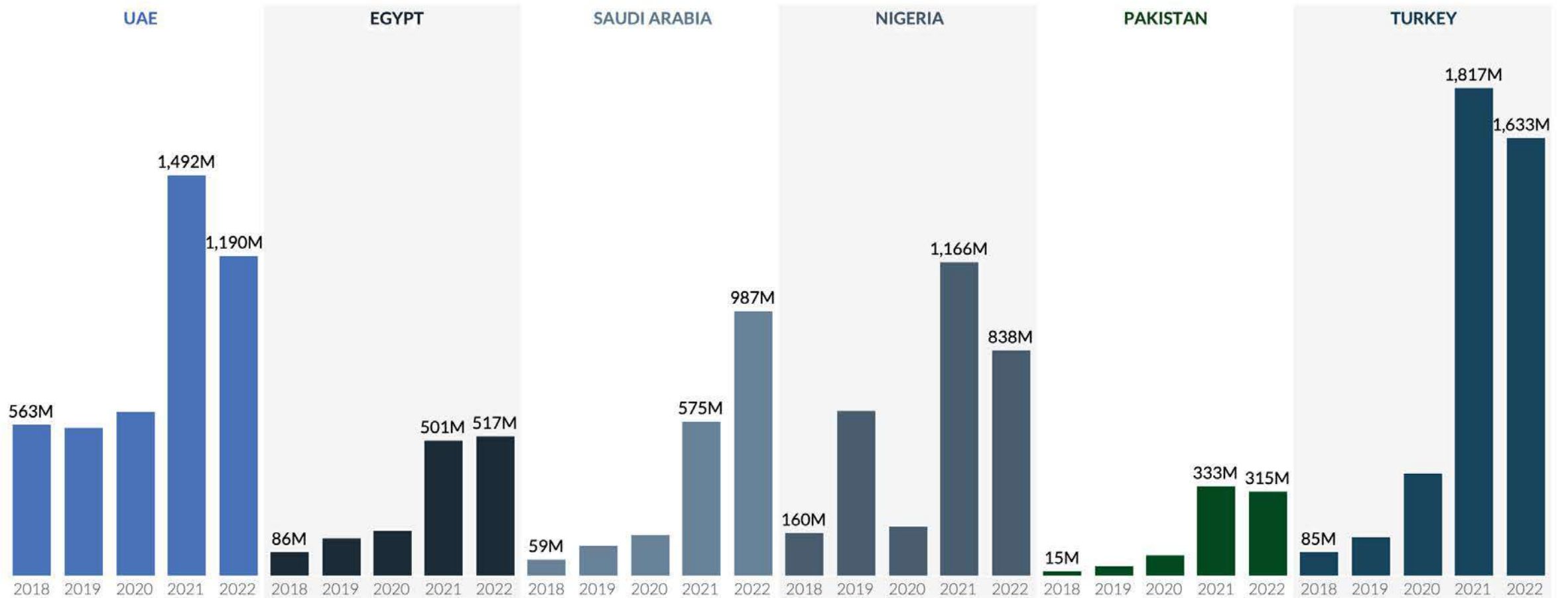


(▲/▼) rank change '22 vs '21  
(+/-) % funding change '22 vs '21

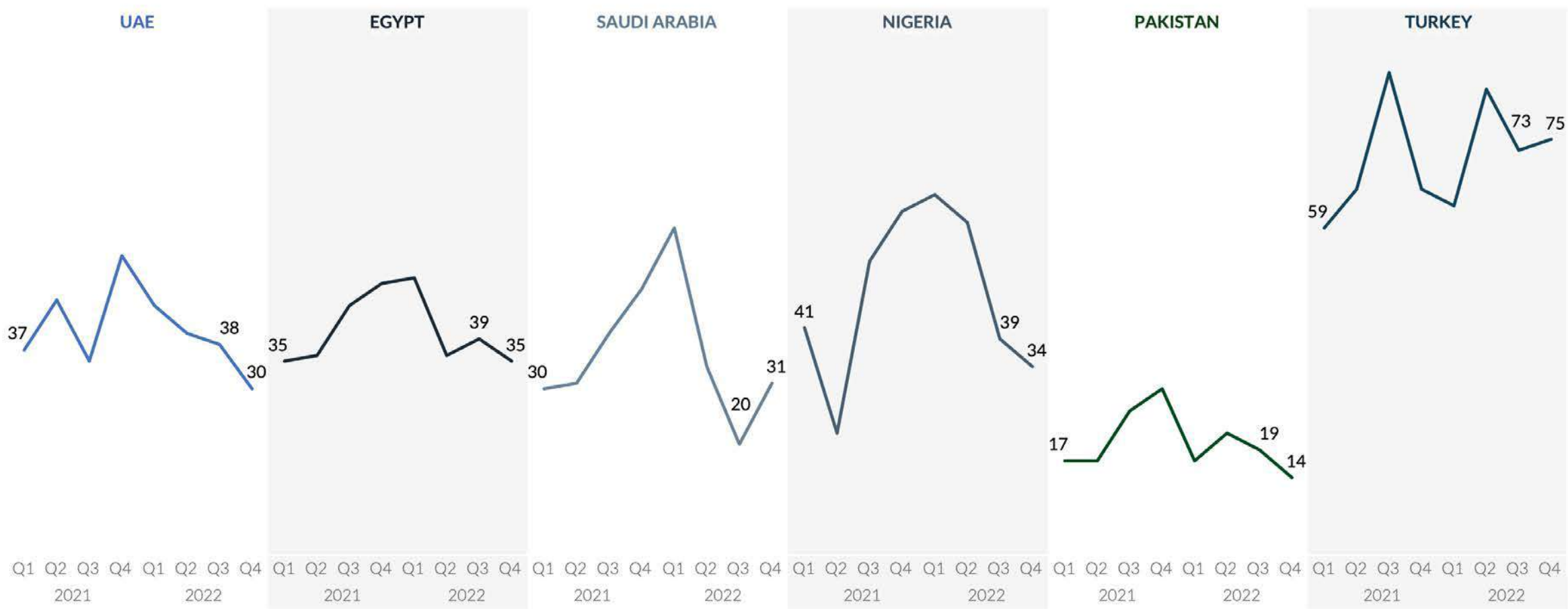
## Despite most countries seeing a decreasing trend in deal flow activity in 2022, Nigeria (11%) and Turkey (6%) both saw an increase in investment transactions



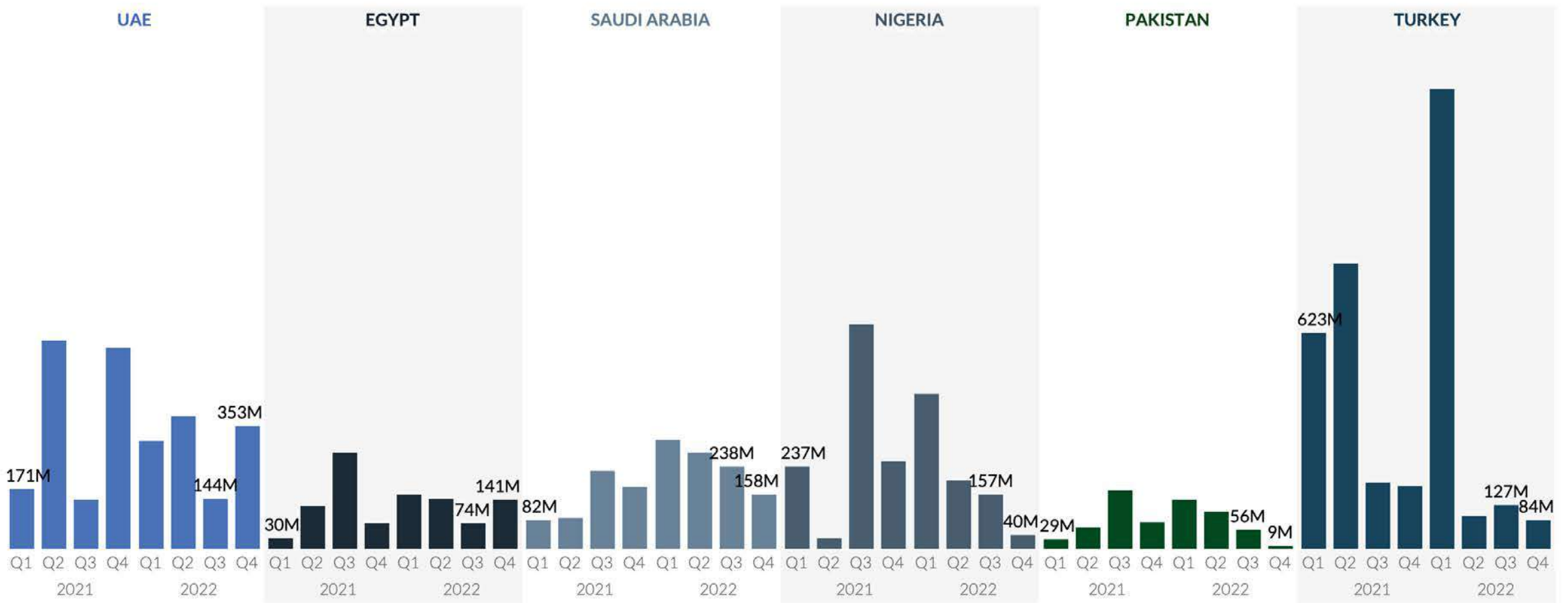
## While most geographies saw a decline in funding year on year, KSA's 72% increase to \$1Bn exceeded its aggregated funding for the last four years



## Quarterly analysis showed divergence in activity across the wider region, with most geographies showing a less active second half of 2022



## Nearly all geographies saw each of the last three quarters of 2022 lower than Q1

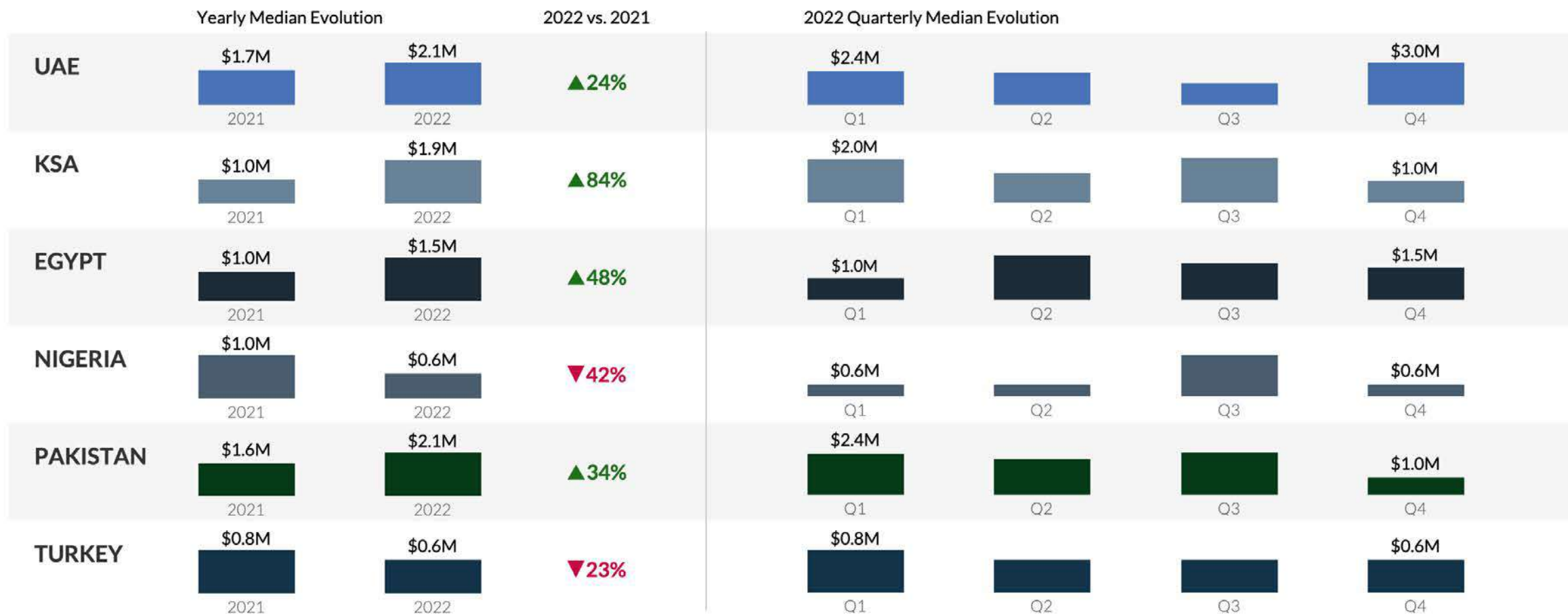


## The increase in funding accompanied by a drop in the number of deals pushed mean funding values up for KSA and Egypt





## Median levels rose across top three MENA geographies year-on-year



Section 04

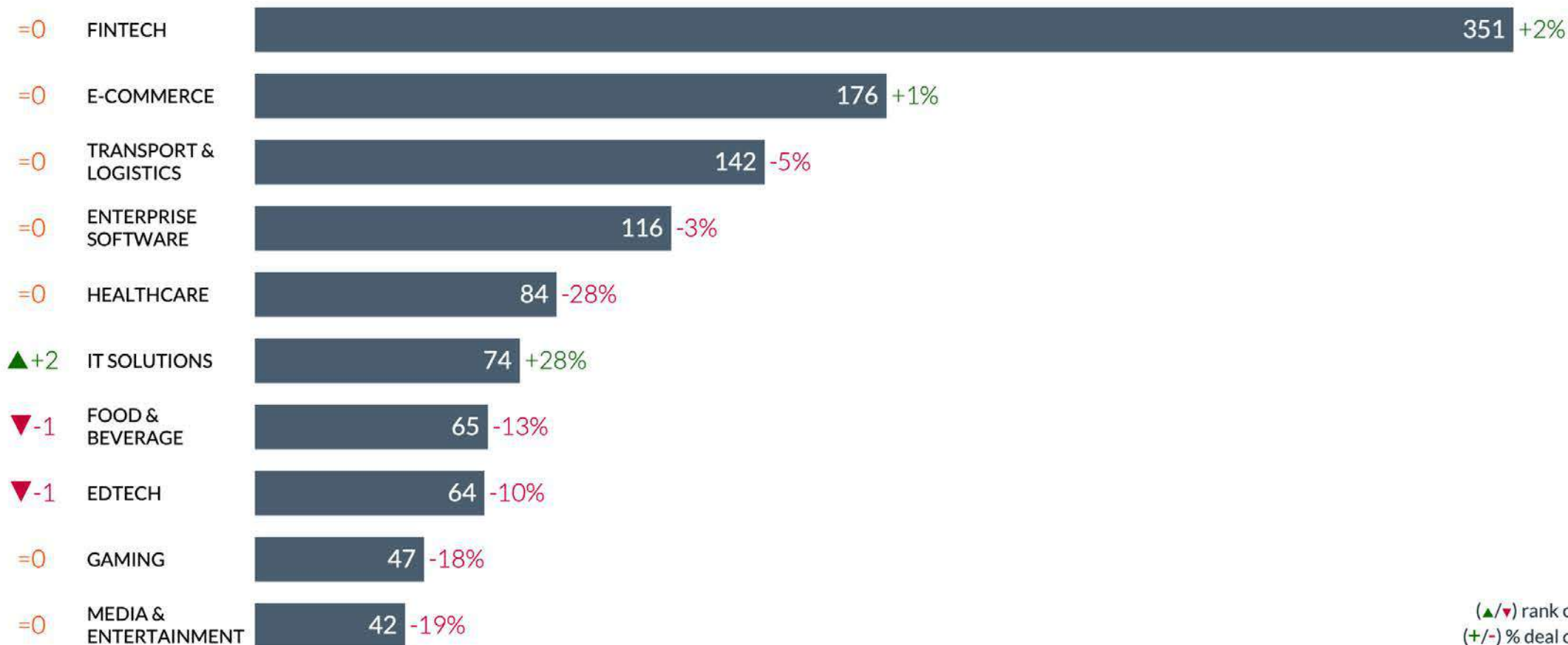
# INDUSTRY DEEP DIVE

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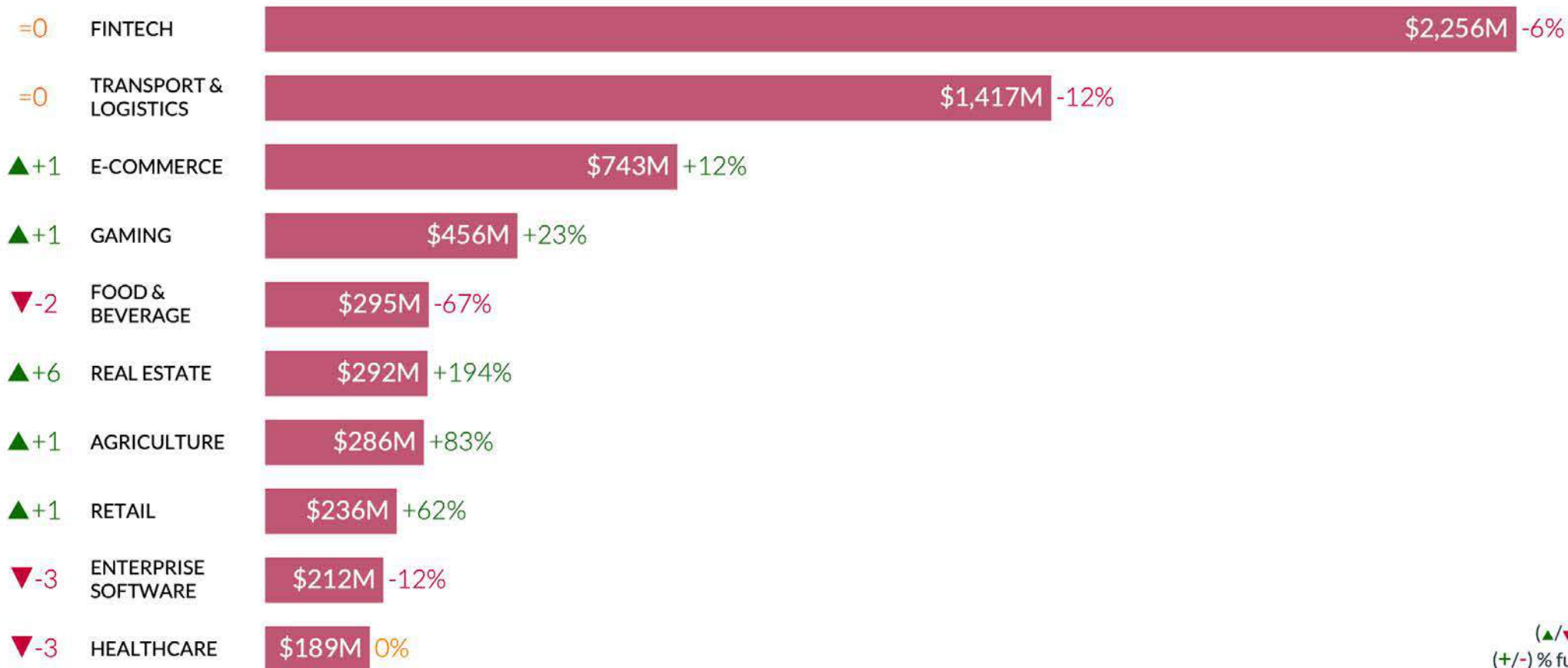
Funding trends, ranking & comparison of the top industries across  
Middle East, Africa, Pakistan and Turkey



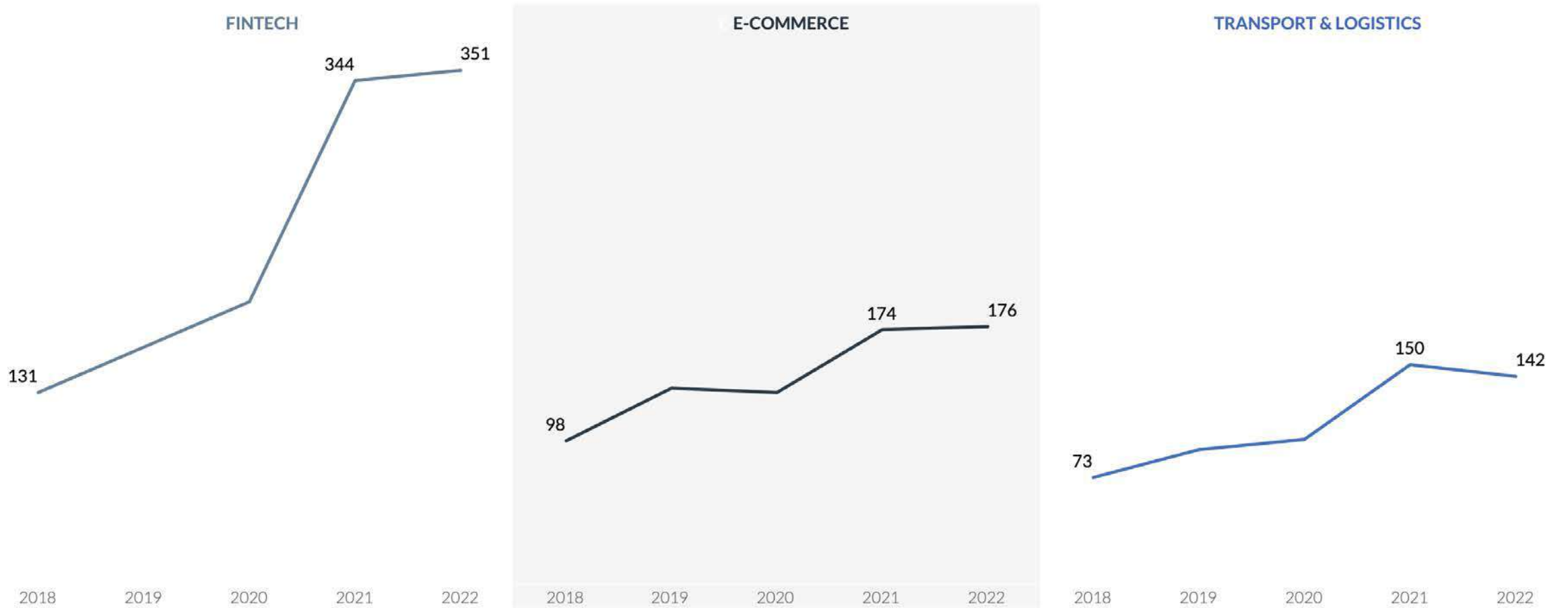
## FinTech, E-commerce and T&L continue to top industries in number of deals, with total FinTech transactions exceeding that of E-commerce and T&L combined



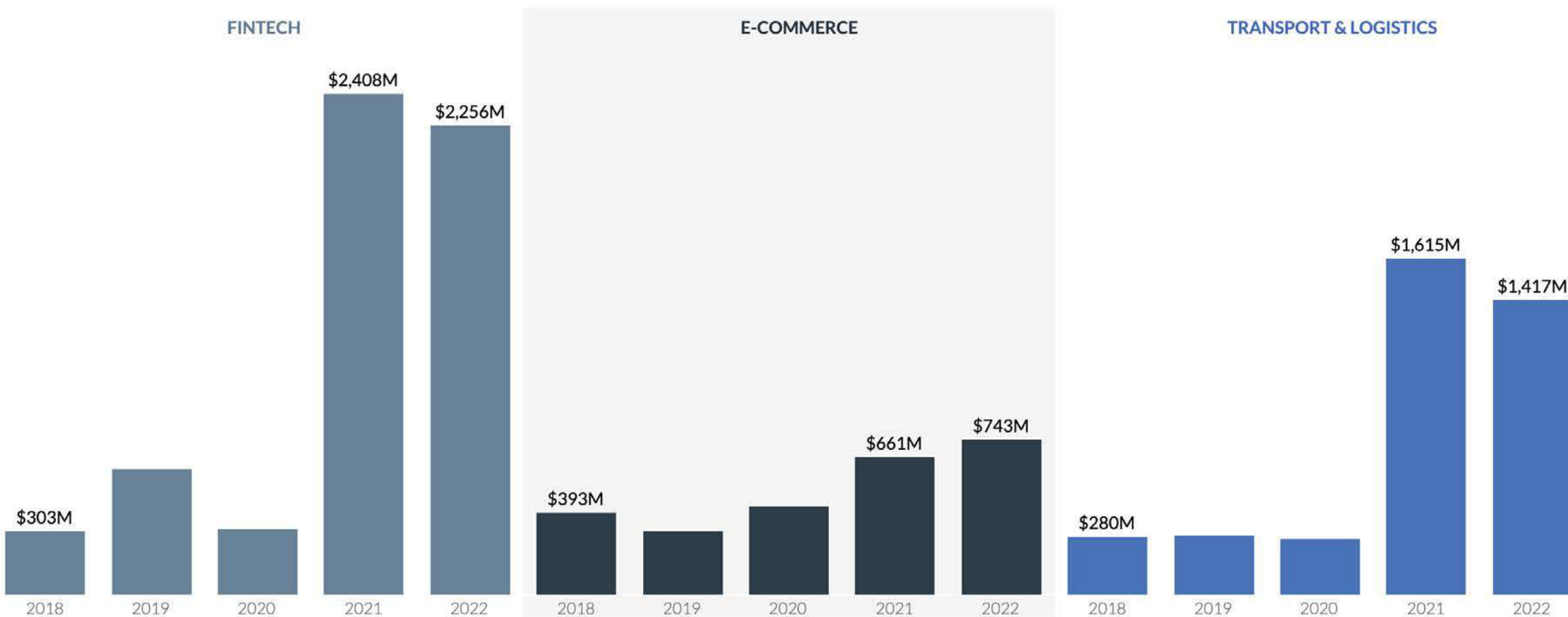
## FinTech maintained its lead in funding in 2022, while gaming paved its way to the top five following a \$255M investment in Turkey based startup Dream Games



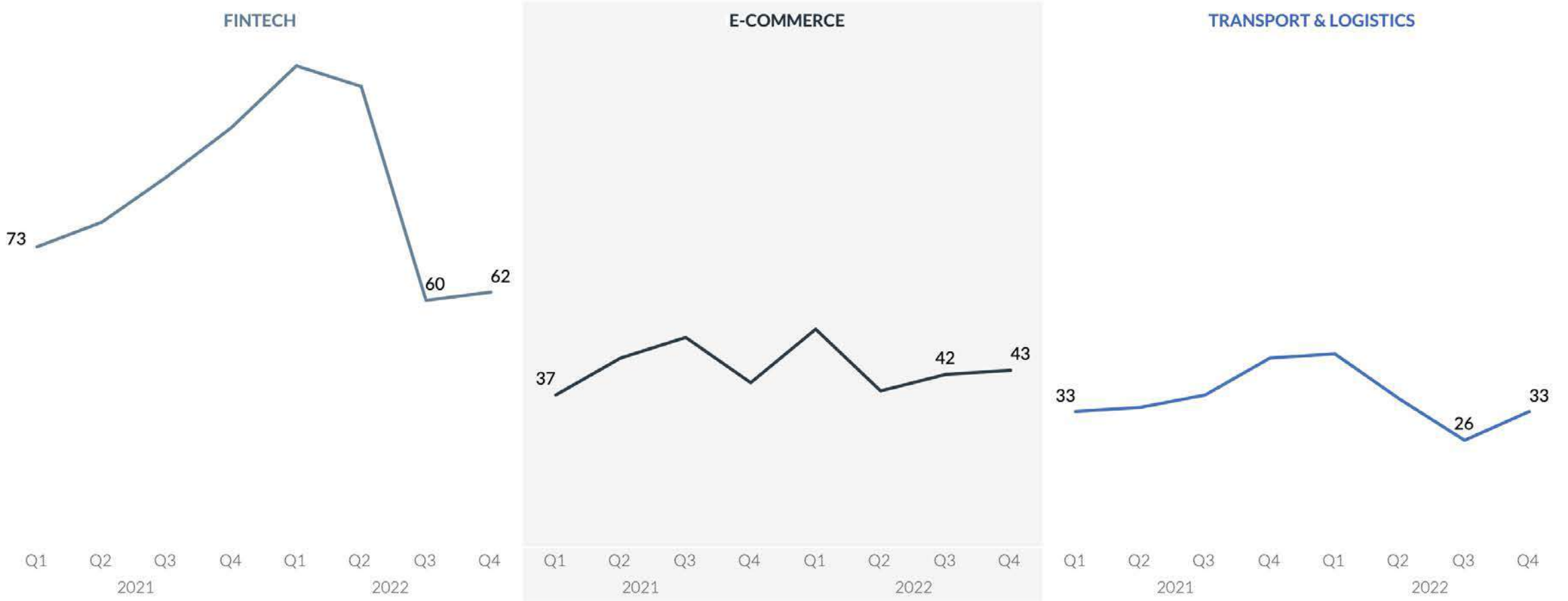
## The top three industries saw roughly the same number of transactions year-on-year



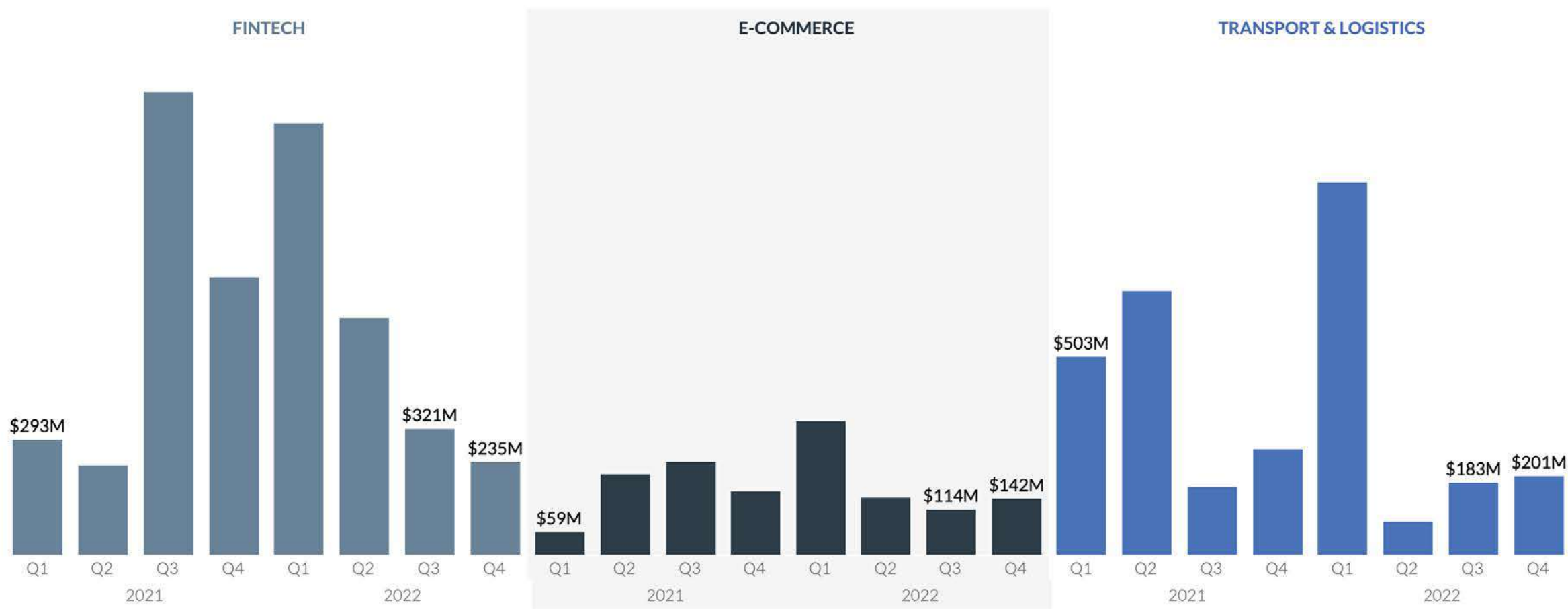
## E-commerce was the only industry amongst the top three to report growth in 2022, despite not closing any MEGA deal



# Investment activity across all three industries was driven by a strong start in Q1 with a subsequent slow down in investments through 2022

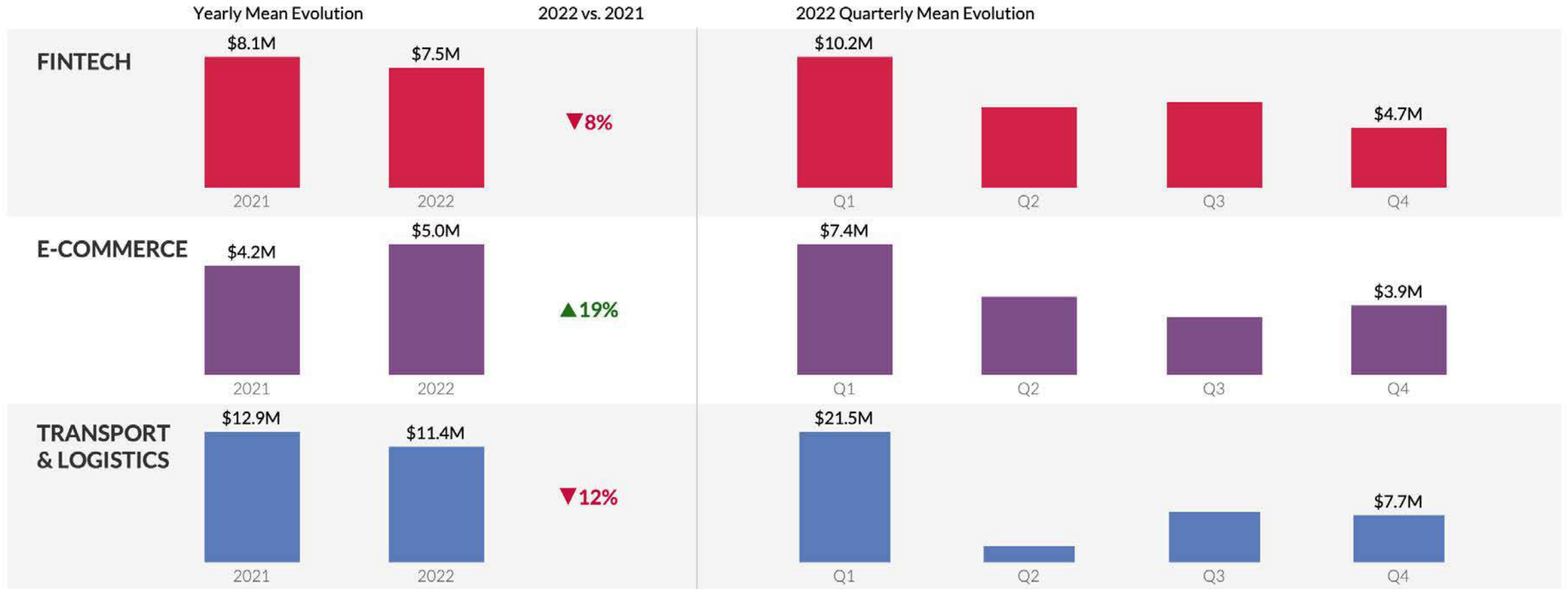


## Across all three industries, Q1 2022 funding almost matched the sum of the investments made in the subsequent three quarters of the year

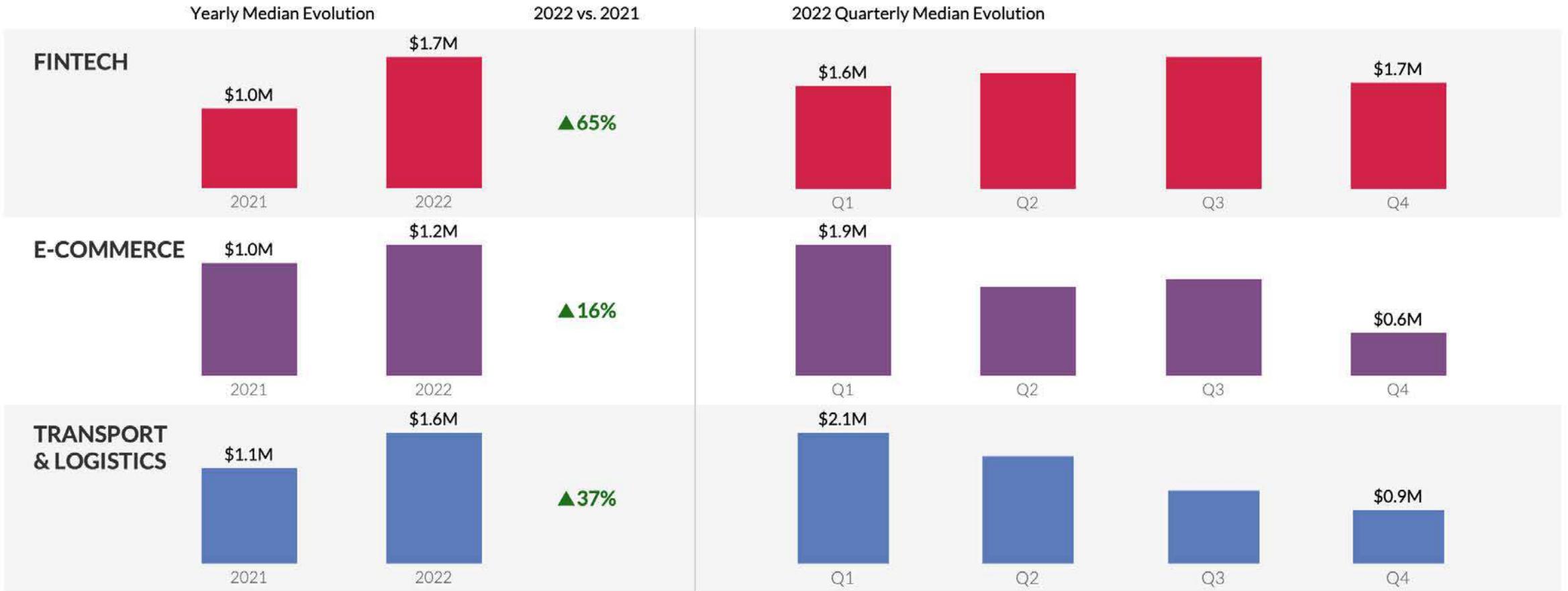




# An increase in E-commerce mean value was driven by a retreat in the number of deals along with a yearly rise in funding



## Median values for the top three industries reported declines between Q3 and Q4, however, posted double-digit rises between 2021 and 2022





# Directories

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The screenshot displays the Magnitt web application interface. At the top right, the Magnitt logo is visible. A search bar contains the text "Search MAGNITT". A navigation menu on the left includes links for Home, Directories, Reports, and Analytics. A prominent purple banner at the top right reads "Access our End-of-Year VC Reports, releasing in January!" with a "SIGN UP NOW" button. Below this, a section titled "Startups (Showing 1-10 of 6,126)" offers view options: Table View (selected), Landscape View, and Chart View. A filter section indicates "Selected filters - Funding verification status: Verified". The main content is a table listing startups with columns for Name, Description, Primary Industry, Funding Stage, Date Raised, Amount Raised, Investors, and Investment Vehicle.

Name	Description	Primary Industry	Funding Stage	Date Raised	Amount Raised	Investors	Investment Vehicle
Team people see Funding	RPM Foods is an Israeli based startup focused on delivering Total Technologies K...	Retail	Undisclosed	Jan 2023	\$12M	Felix Asset Management INC.	Equity
Nourish see Funding	Nourish is the first global booking platform for sustainable flights.	Travel & tourism	5LLD	Dec 2019	\$2M	Bosphorus Technology Fund (BVCI)	Equity
Fizbet see Funding	Fizbet, a local Israeli startup that develops software for medical device technology.	Pharmaceuticals					
Herpele Mobility see Funding	Herpele Mobility offers an all-inclusive pack for e-waste operators to start their own fle...	Transport & Logistics					
Shodor Mobility see Funding	A new booking and management system for auto dealers.	Automotive					
Bujeti see Funding	Bujeti enables African businesses to take control of their spending through a...	Finance					
Serof see Funding	is an on-demand service marketplace connecting business owners with more than 100...	Home Services					
Uzwan (Utt)	Uzwan (Utt) helps food service delivery, home food and agricultural areas from a global...	Agriculture					
Nedline Pvt. Ltd see Funding	Nedline Pvt. Ltd. has been in the business for over 20 years and have developed a full...	Energy					
Mohaseel Maar see Funding	Mohaseel Maar is a digital B2B market solution that brings together growers and...	Food & Beverage					

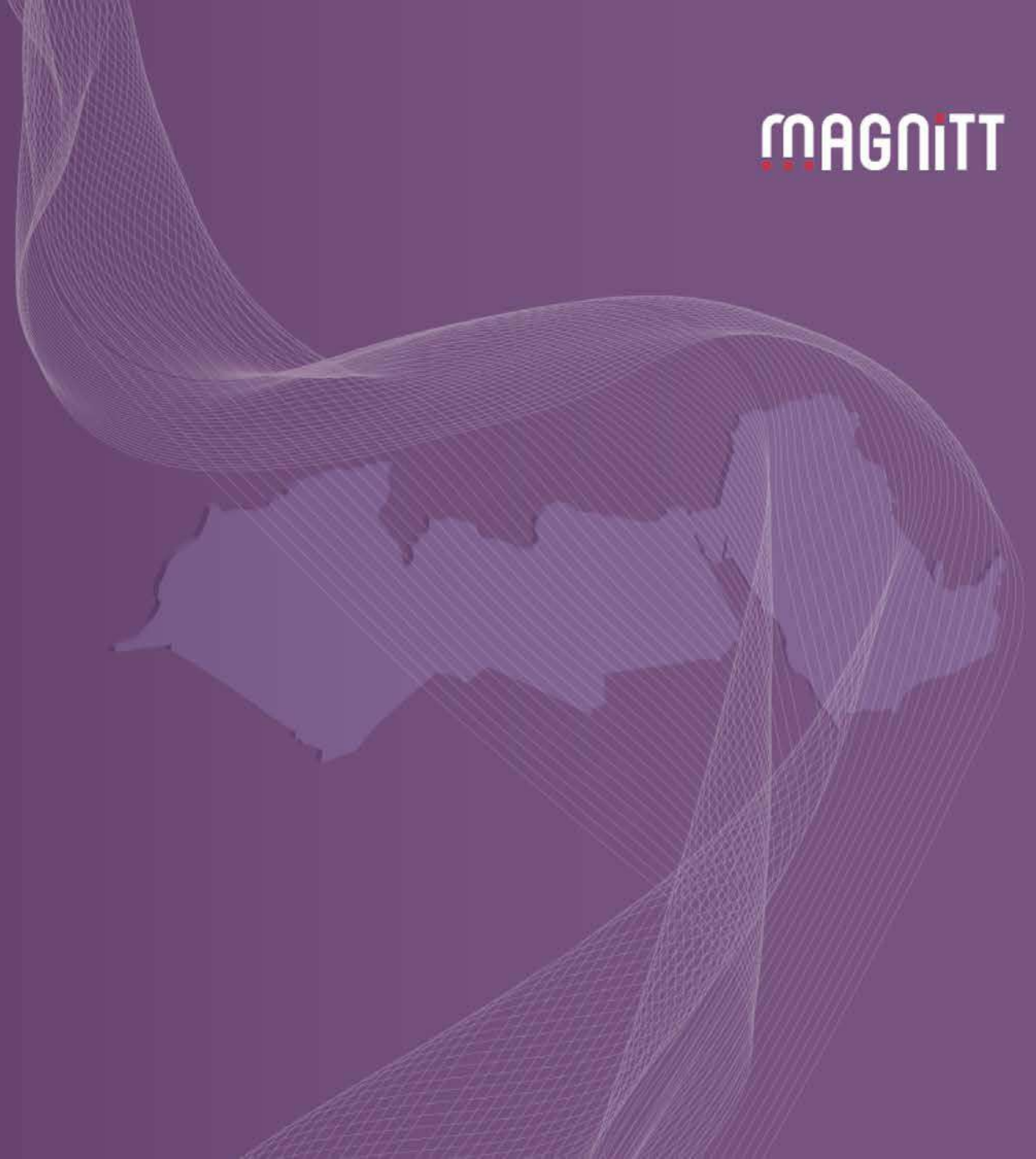
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Section 05

# MENA OVERVIEW

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Funding trends, deal size analysis, top deals, and exits in the  
Middle East and North Africa



# Executive Summary | MENA

**\$3.2Bn**

Total Funding



The MENA region reported a record high up by 8% from 2021. The region saw a rise of 5% in MEGA deal funding and 10% in non-MEGA deal funding.

**#7**

MEGA Deals



MEGA deals rose from three in 2021 to seven in 2022. Three of those deals were in KSA. MEGA deals accounted for a share of 32% of MENA's 2022 funding.

**#627**

Total Deals



Deals declined 8% from 679 in 2021. This was mirrored by declines in transactions in Egypt (-3%), the UAE (-11%) and KSA (-3%) year-on-year.

**#70**

Record Exits



MENA saw M&A transactions rise by 71%. UAE, KSA & Egypt doubled their exits yoy. More than 50% of MENA exits were startups founded five or less years ago.

## UAE Leading Country in Funding

Egypt topped MENA with 160 deals, the UAE second with 153 deals & KSA third with 144 deals. All three countries reported declines from their level in 2021. In funding, the UAE topped the list with US\$1.2Bn, down 20% from 2021. KSA reported an increase of 72% and stood at \$987M.

## \$0K-\$1M Round Size Focus

The breakdown of round sizes revealed an increasing investor focus on the \$1M-\$5M rounds which saw a share of 39% of the total number of deals in 2022, up from 36% in 2021.

FinTech captured the lion's share of funding in the MENA region in 2022 with a share of 29%. Transport & Logistics ranked second with a share of 15%. Both industries reported a growth in their funding levels from 2021 and had a deal among the top five in the region, all of which were MEGA deals. E-commerce followed with a share of 11%, however its funding level dropped compared to the previous year.

1<sup>st</sup>

Fintech  
29%

2<sup>nd</sup>

T&L  
15%

3<sup>rd</sup>

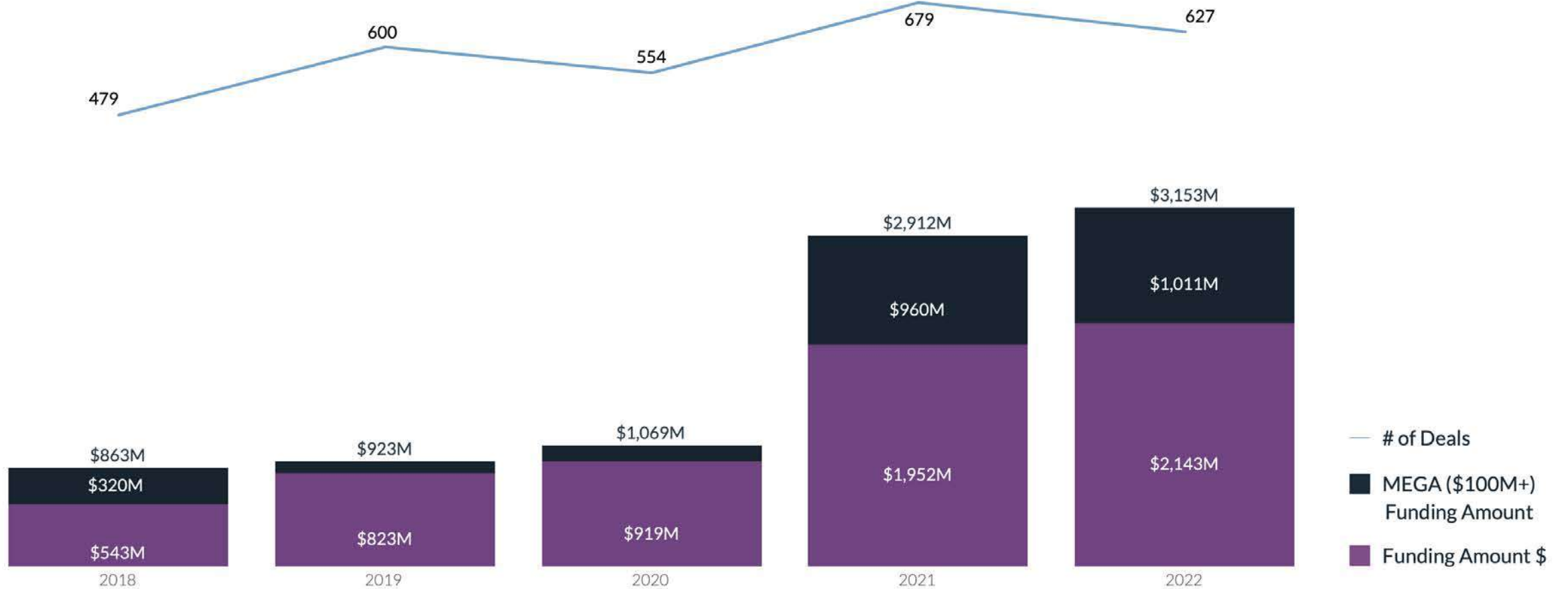
E-commerce  
11%



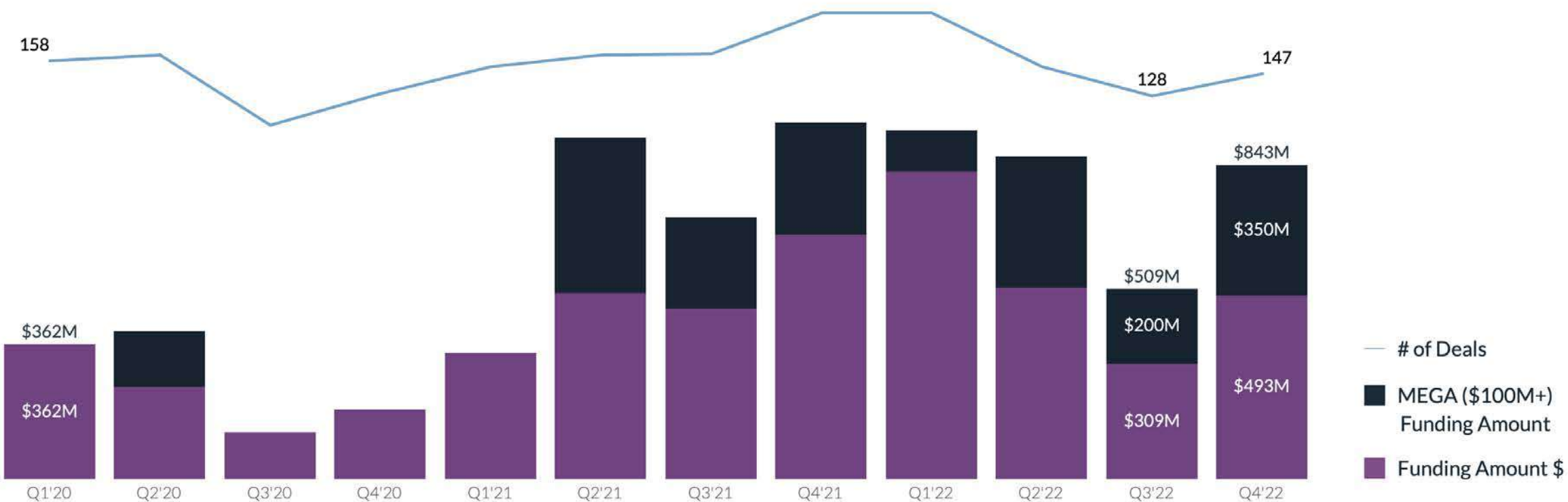
Largest Raised Rounds



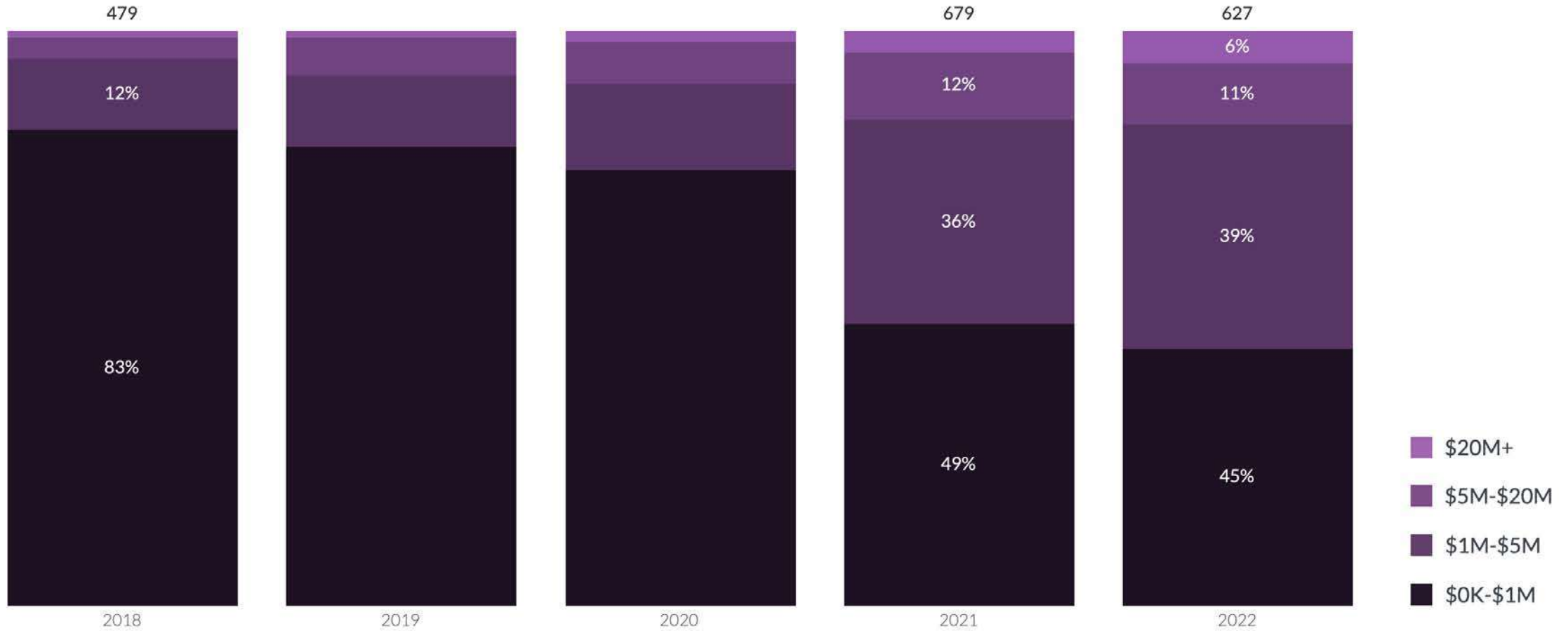
The MENA region surpassed its 2021 level by 8%, crossing the \$3BN mark and reporting an all-time high despite an 8% drop in the number of deals recorded



Following a quarter-on-quarter decline in funding and the number of deals, the MENA region saw signs of recovery in Q4 albeit against the backdrop of a summer lull



## Round size evolution in MENA reported a shift in concentration from \$0K-\$1M in 2021 to \$1M-\$5M in 2022, reflecting the shift in investor appetite

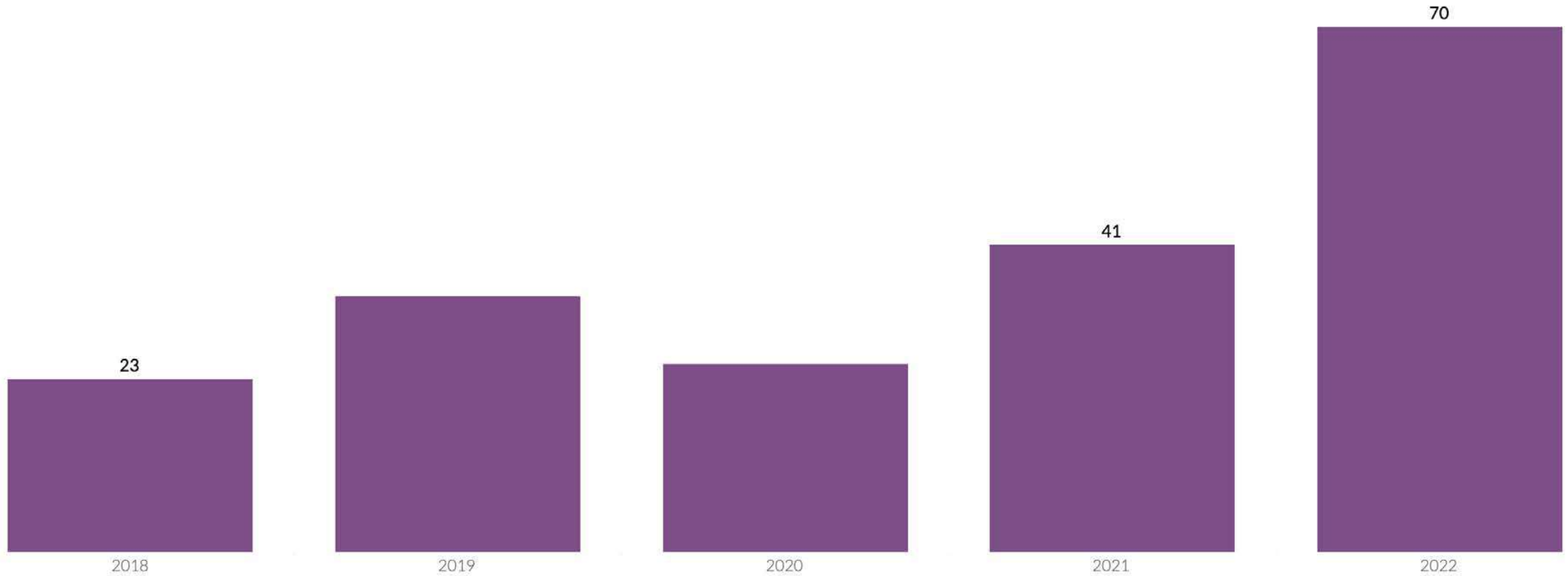




## 26% of total MENA funding was concentrated in the top five deals, with the largest two investments based in the UAE

No.	Startup	Country	Industry	Month	Stage	Investors	Amount (\$)
1	EMPG	United Arab Emirates	Real Estate	October	Undisclosed	Prosus Ventures (Naspers Ventures), KCK Group, Acacia Partners, Affinity Partners	200M
2	Pure Harvest Smart Farms	United Arab Emirates	Agriculture	June	Convertible Note	Metric Capital Partners, IMM Investment Corp., Olayan Financing Company	181M
3	Foodics	Saudi Arabia	Food & Beverage	April	Series C	Prosus Ventures (Naspers Ventures), Sanabil Investments, Sequoia Capital India, STV, Endeavor Catalyst, Vision Ventures	170M
4	YASSIR	Algeria	Transport & Logistics	November	Series B	Bond, DN Capital, Quiet Capital, Spike Ventures, Y Combinator	150M
5	Rain	Bahrain	FinTech	January	Series B	Global Founders Capital, Kleiner Perkins, Coinbase, Paradigm, Cadenza Capital Management, Middle East Venture Partners (MEVP), CMT Digital Ventures, JIMCO (Jameel Investment Management Co.)	110M

## The MENA region reported a 71% annual increase in exits in 2022 as the UAE and KSA doubled the M&A activity seen in 2021



## One-third of the capital deployed in the MENA region was from the USA reflecting increased international appetite towards investments in the MENA region



Estimated capital deployed is an estimate based on the round size, stage, and this investor's other investment.

# Ecosystem Insights

“Tough times don't last and tough people do! 2022 tested us all in various ways and the resilience of our entrepreneurs is a testimony to how far the MENATP tech ecosystem has come. It is worth reminding ourselves that the last economic slowdown gave birth to the likes of Uber, Airbnb and Netflix and I expect a similar outcome from our region.

We are already seeing Founders build stronger business models backed by deeper value propositions and healthier unit economics. We are thrilled to see this nimbleness among Entrepreneurs, and at MEVP we are excited to help them achieve their visions

**Walid Mansour**  
Co-CEO - MEVP

**ME** MIDDLE EAST  
**VP** VENTURE PARTNERS



Section 06

# AFRICA OVERVIEW

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Funding trends, deal size analysis, top deals, and exits across  
Africa (North Africa & Sub-saharan Africa)

# Executive Summary | Africa

**\$2.9Bn**  
Total Funding



Africa funding in 2022 neared its 2021 level. MEGA deals dropped to \$635M in 2022, half their level in 2021, while non-MEGA deal value rose by 35%.

**#4**  
MEGA Deals



MEGA deals retreated in both number and value in 2022, while 2021 saw \$1,290M in funding across seven deals, only \$635M was reported in 2022 across four deals.

**#688**  
Total Deals



2022 reported the first decline in deals in Africa since 2013. The number of deals contracted by 2% from 703 in 2021 to 688 in 2022.

**#70**  
Record Exits



Exits in Africa in 2022 exceeded their 2021 levels by only seven deals, with FinTech capturing the lion's share of M&A activity.

## Nigeria Leading Country in Funding & Deals

Nigeria topped Africa in both number of deals and funding with \$838M across 198 deals. Kenya ranked second with \$595M across 91 deals. Egypt third with \$517M across 160 deals. Nigeria and Kenya closed three out of the four MEGA deals in Africa.

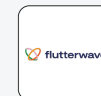
## \$0K-\$1M Round Size Focus

Africa's round size concentration was in \$0K-\$1M bracket in 2022. A 7PP decline was seen for the round size \$1M-\$5M between 2021 and 2022. The share of the latter round was mostly redirected into \$5M+ round size.

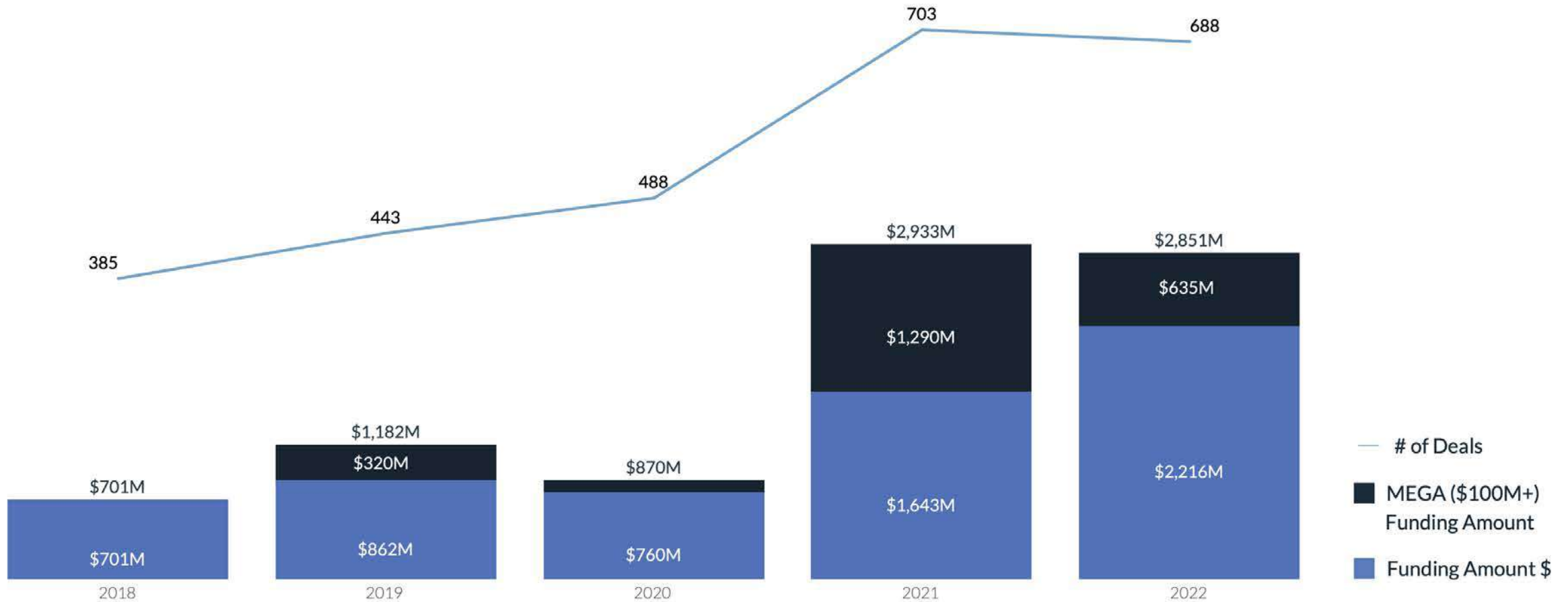
Similar to MENA, FinTech captured the lion's share of funding in Africa in 2022 with 49% of total funding. The industry closed two MEGA deals amounting to \$360M. Transport & Logistics ranked second with a share of 11%, as the latter closed a MEGA deal of \$150M. E-commerce ranked third with 11% of total funding.



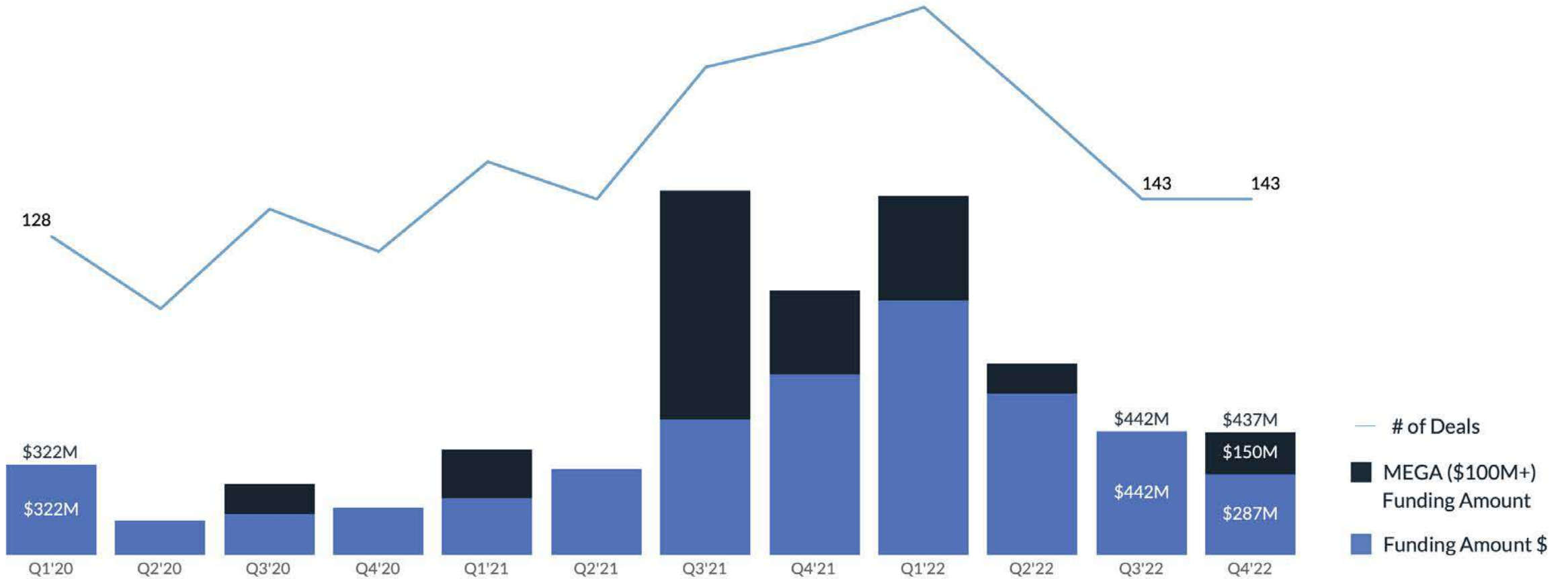
Largest Raised Rounds



## Equity funding in African headquartered startups almost matched the 2021 levels, despite a 51% decline in MEGA deal funding

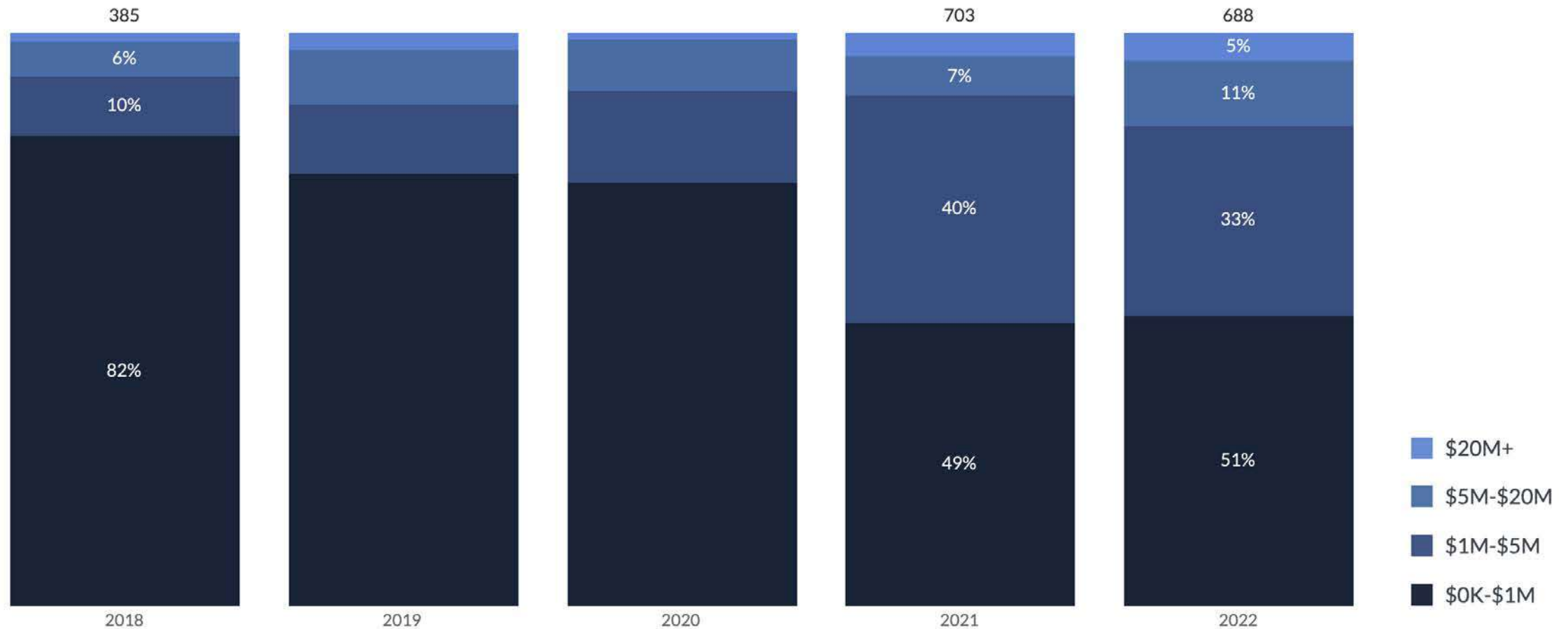


## Following the strong start to Q1 2022, the number of deals and the value of funding reported quarterly drops





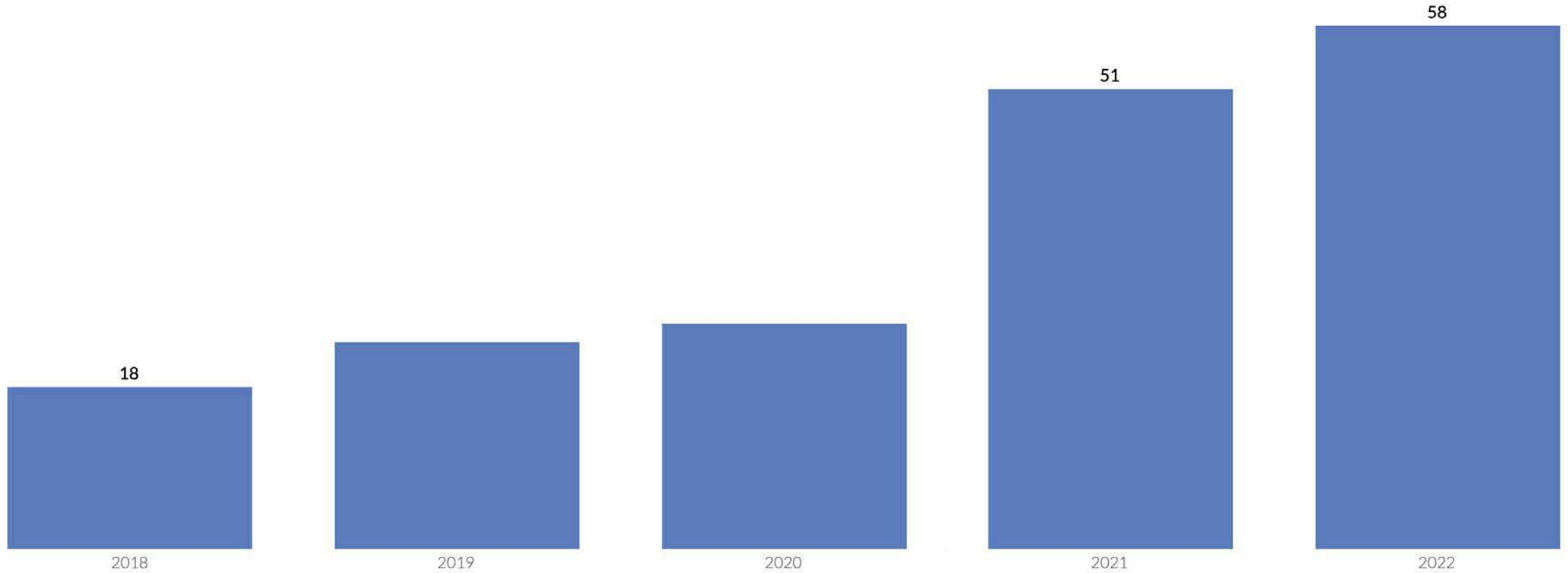
## 50% of all investment remained below \$1M, with a 5PP increase in deal transactions at late stage above \$5M



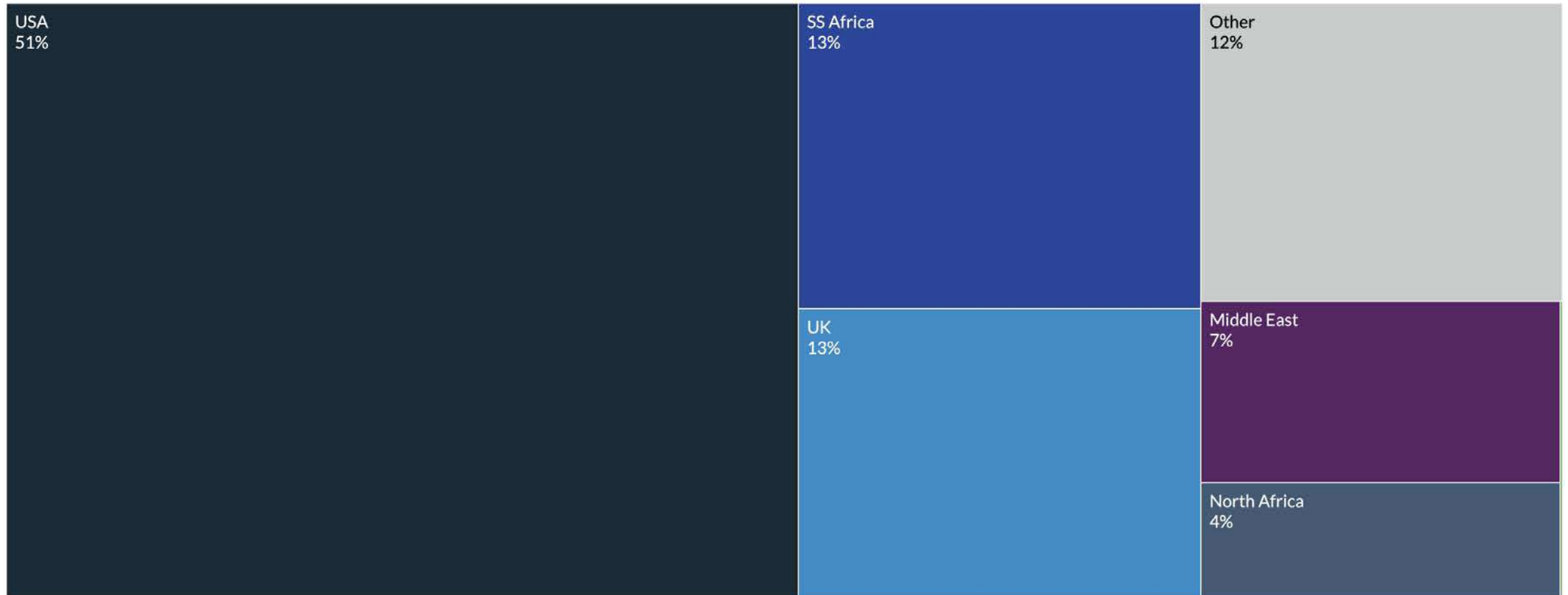
## Nigerian and Kenyan headquartered startups accounted for four of the top five investments in Africa in 2022, the sum of the top five contributing 25% of total funding

No.	Startup	Country	Industry	Month	Stage	Investors	Amount (\$)
1	Flutterwave	Nigeria	FinTech	February	Series D	B Capital Group, Whale Rock Capital Management, Glynn Capital, Lux Capital, Alta Park Capital, LP, Avenir Growth Capital, Tiger Global Management, Green Visor Capital, Salesforce Ventures	250M
2	YASSIR	Algeria	Transport & Logistics	November	Series B	Bond, DN Capital, Quiet Capital, Spike Ventures, Y Combinator	150M
3	Wasoko	Kenya	Retail	March	Series B	Tiger Global Management, Avenir Growth Capital, VNV Global (Vostok New Ventures), Quona Capital, 4DX Ventures, Golden Palm Investments, JAM Fund	125M
4	Interswitch Group	Nigeria	FinTech	May	Undisclosed	LeapFrog, Tana Africa Capital	110M
5	M-Kopa	Kenya	FinTech	March	Undisclosed	British International Investment (CDC Group), Generation Investment Management, Broadscale Group, Lightrock, Latitude Fund, HEPCO Capital Management, LLC	75M

**Exits in Africa reported an uptick in 2022, surpassing their 2021 levels with seven more exits, despite Sub-Saharan Africa seeing a retreat year-on-year**



## USA headquartered investors accounted for over 50% of capital deployed in Africa, while Africa based investors in African startups contributed only 17%



Estimated capital deployed is an estimate based on the round size, stage, and this investor's other investment.

# Ecosystem Insights

“  
At LoftyInc, we remain focused on what we do best, planting and nurturing seeds, particularly in our unique role as the bridge between North Africa and Sub-Saharan Africa. Our work as investors becomes even more important when financial markets become tighter. Venture capital is a long game. We do not allow current market conditions to sway us from our foundational investment thesis of supporting Afpreneurs in building a prosperous and equitable Africa.

We remain committed to value addition with a belief that good governance must scale along with high growth revenues to weather this drought. To that end, hard decisions must not be avoided. The market will shake out some companies through increased M&A in 2023 and more due diligence by all investors. Overall, we welcome the opportunities that 2023 will bring too with better valuations and stronger fundamentals in companies.

**Idris Ayo Bello**  
Founding Partner - LoftyInc Capital



Section 07

# PAKISTAN OVERVIEW

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Funding trends, deal size analysis, top deals, and exits in Pakistan

# Executive Summary | Pakistan

## \$315M

### Total Funding



Pakistan saw a 5% decline in funding year-on-year, down from \$333M in 2021. The country contributed to 4% of total EVM funding in 2022, unchanged from the share reported in 2021.

## #0

### MEGA Deals



No MEGA deals were reported in the country in 2022. The top five deals contributed to more than half the total funding reported in Pakistan in 2022.

## #72

### Total Deals



The number of deals contracted by 20% in 2022. The faster decline in the number of deals pushed the mean funding value up from \$4.1M to \$5.77M in 2022.

## #6

### Record Exits



Exits in 2022 exceeded the total exits reported in the last four years. The country recorded six exits with median years to exit standing at five years.

## \$0K-\$1M Round Size Focus

The share of round size \$1M-\$5M dropped from 48% in 2021 to 36% in 2022. This decline was offset by the increase in share value for all other round sizes. Round size \$0K-\$1M had the highest share of 38% while round size \$5M+ saw a rise in share from 20% to 25% over the same period.

E-commerce captured the highest share of funding in 2022 with 41%. FinTech followed with 27%, while Retail ranked third with 12%.

1<sup>st</sup>

E-commerce  
41%

2<sup>nd</sup>

Fintech  
27%

3<sup>rd</sup>

Retail  
12%



### Largest Raised Rounds



بازار

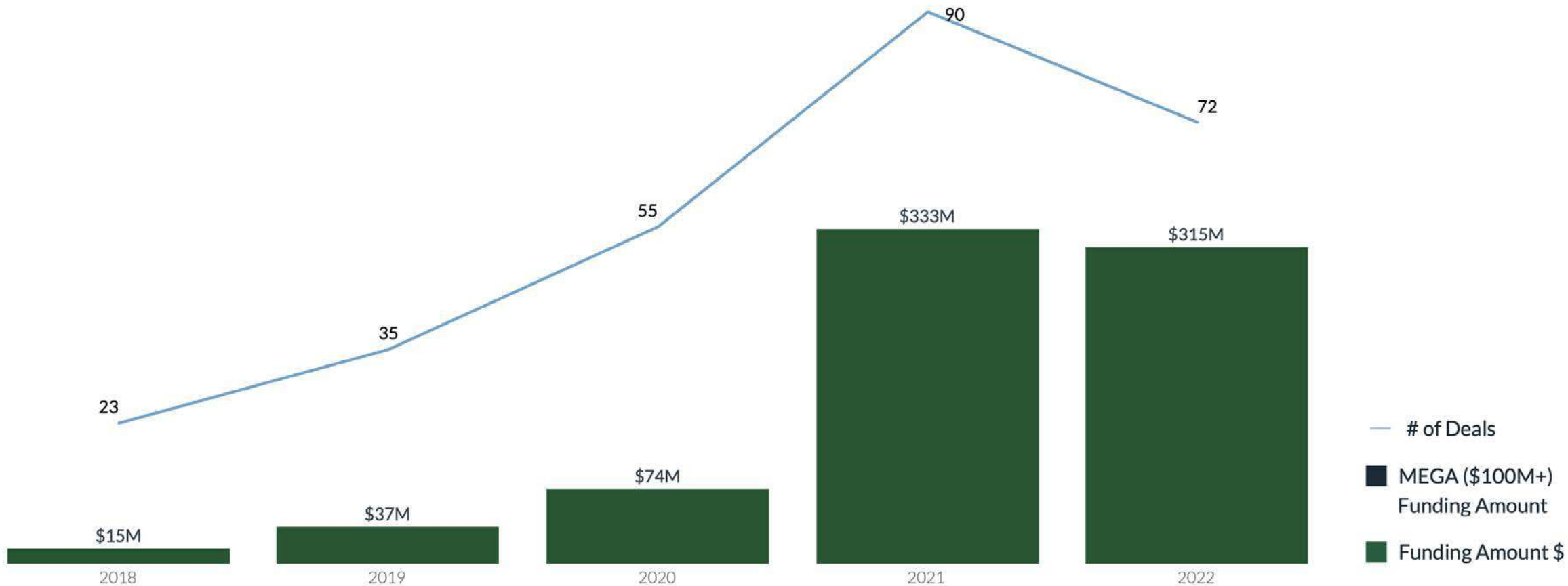


دستگیر



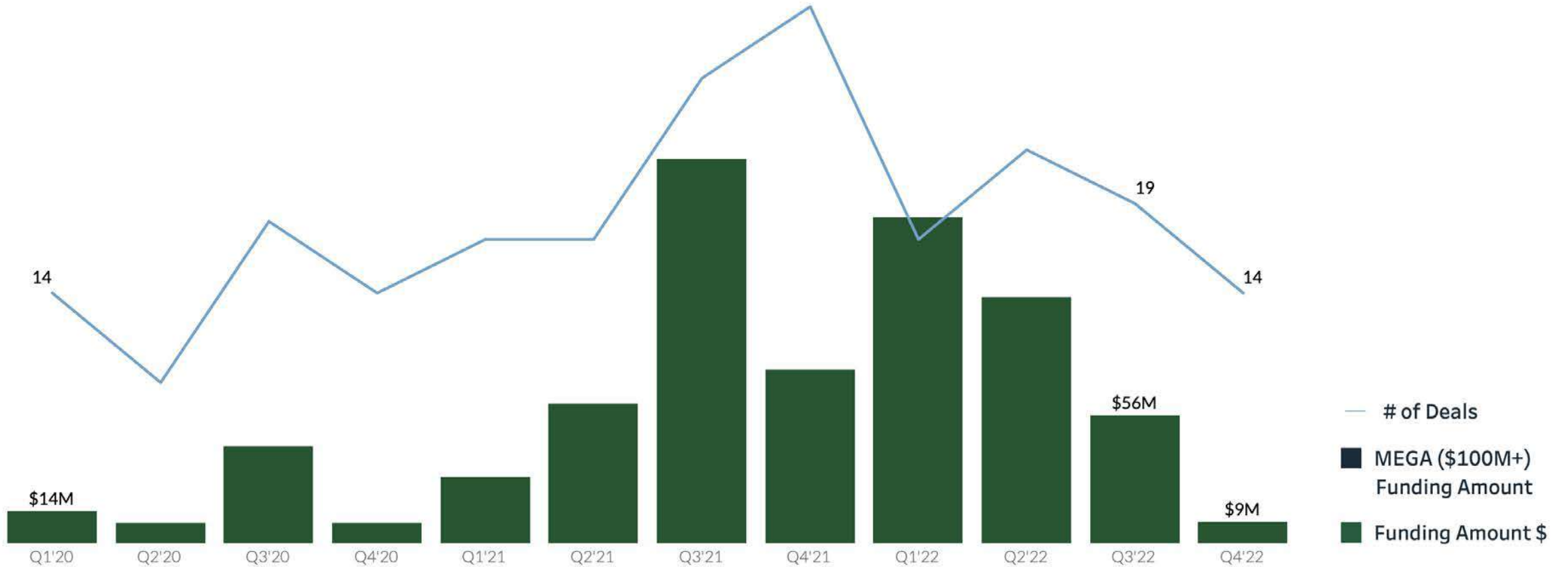
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## Pakistan saw a 20% contraction in the number of deals in 2022 despite funding being roughly flat year-on-year

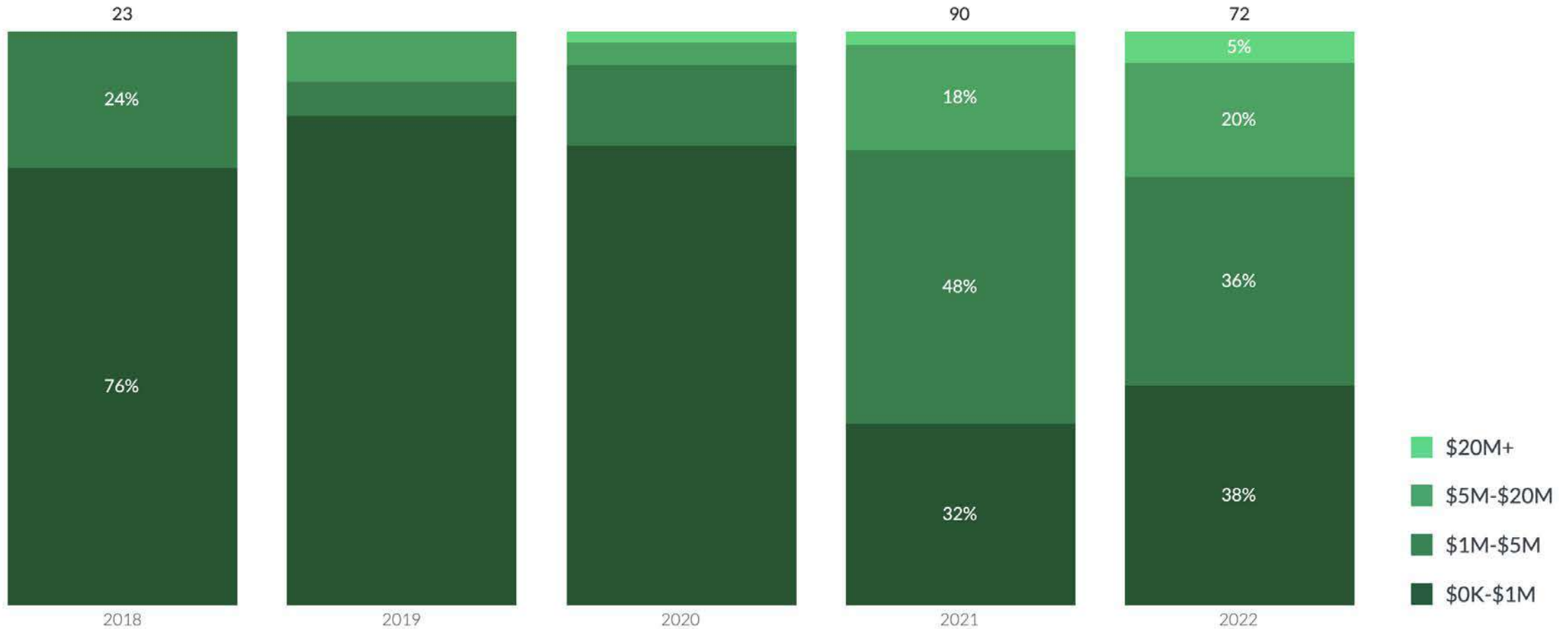




Similar to regional EVM trends, Q1 funding was highest in Pakistan in 2022 with subsequent drops seen more aggressively than in other countries



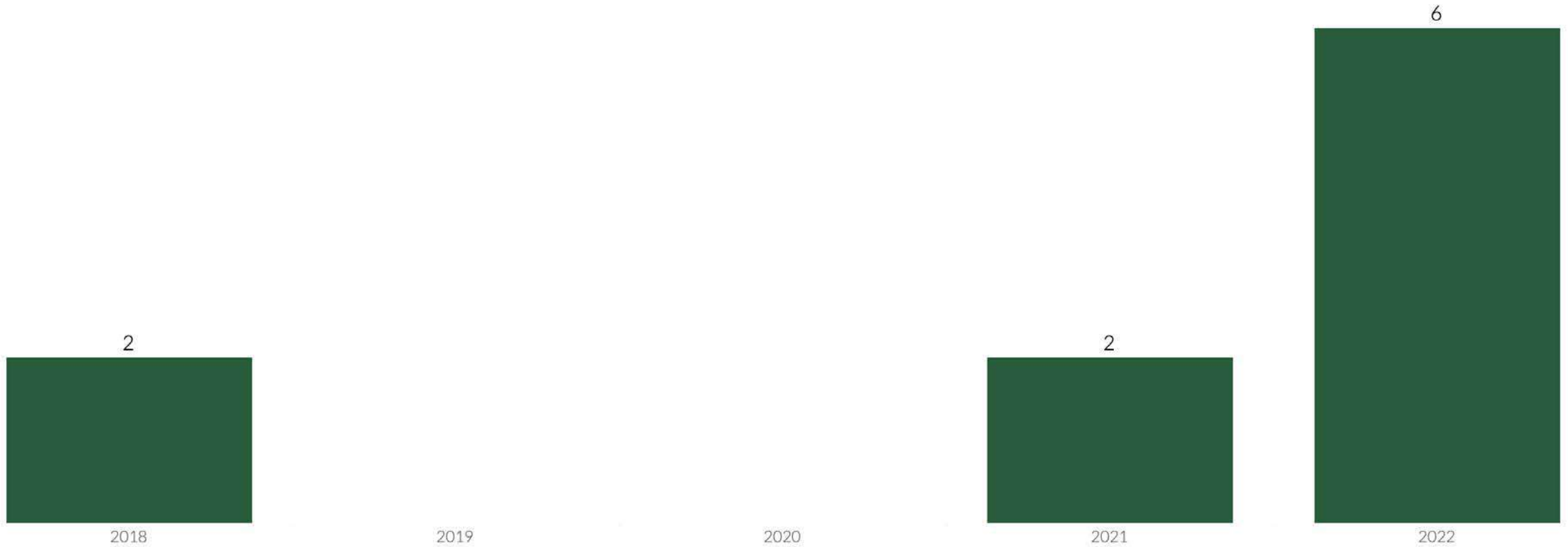
## 2022 saw a shift in Pakistan to larger investment rounds than those seen in previous years as investors focused on their existing portfolios over newer early stage investments



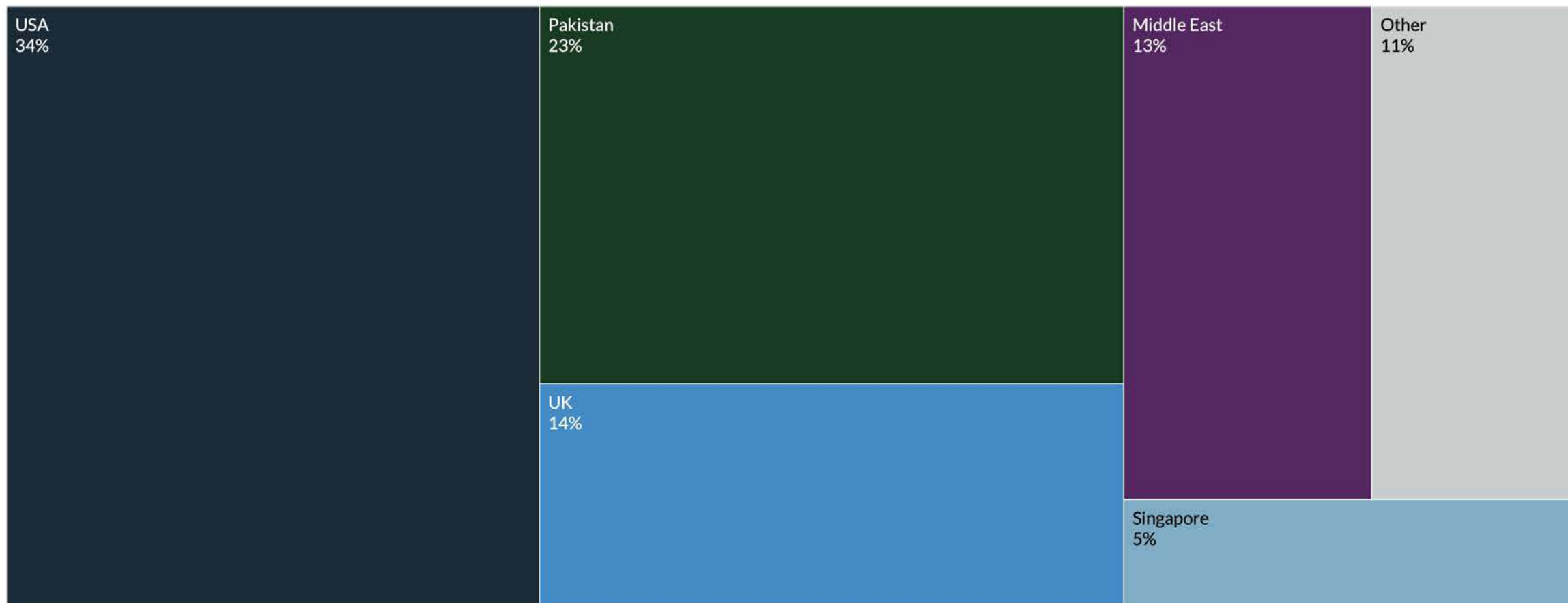
## Top five deals contributed to more than half the funding Pakistan saw in 2022, with three of the rounds being at Series A

No.	Startup	Industry	Month	Stage	Investors	Amount (\$)
1	Bazaar Technologies	E-commerce	March	Series B	Dragoneer Investment Group, Tiger Global Management , Indus Valley Capital, Defy VC, Acrew Capital, Wavemaker Partners, BY Venture Partners (BYVP), Zayn Capital	70M
2	dastgyr	E-commerce	June	Series A	Zinal Growth, DEG Invest, Khwarizmi Ventures, ofr Jasoor Ventures, Cedar Mundi Ventures, Reflect Ventures, Century Oak Capital, Haitou Global, GoingVC, Astir Ventures, K3 Diversity Ventures, Chandaria Capital, SOSV, Edgebrook Partners, EquiTie Advisory, Veon	37M
3	Jugnu	Retail	March	Series A	Sary , Sarmayacar, Systems Limited	23M
4	Dbank	FinTech	July	SEED	Sequoia Southeast Asia, Kleiner Perkins, Nubank, Askari Bank, Rayn, RTP Global	18M
5	Abhi Finance	FinTech	April	Series A	Speedinvest, Global Ventures, VentureSouq, Sturgeon Capital, RaliCap (Rally Cap Ventures), FJ Labs, Fatima Gobi Ventures, Sarmayacar, i2i Ventures, Vostok Emerging Finance (VEF)	17M

## Pakistan tripled its exits in 2022, with the total exceeding all five previous years combined



## While US-headquartered investors had the highest contribution of capital deployed in Pakistan's ecosystem, local investors contributed nearly a quarter of the capital deployed



Estimated capital deployed is an estimate based on the round size, stage, and this investor's other investment.

Section 08

# TURKEY OVERVIEW

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Funding trends, deal size analysis, top deals, and exits in Turkey

# Executive Summary | Turkey

## \$1.6Bn



### Total Funding

Turkey saw a 10% contraction in funding in 2022, driven by the decrease in value of non-MEGA deals of 28%.

## #3

### MEGA Deals



Three MEGA deals were closed in Turkey in 2022, with Getir's \$768M deal being the largest across EVMs in 2022. These deals accounted for 70% of total funding in 2022, up from a share of 63% in 2021.

## #295



### Total Deals

Number of deals closed in Turkey rose by an annual 6% to stand at 295 deals in 2022.

## #31

### Record Exits



Exits in Turkey touched 31 in 2022, up by 29% from their level in 2021. 17 of the exits reported were startups founded five years ago or less. Six exits were for startups founded 15 or more years ago.

## \$0K-\$1M Round Size Focus

Round sizes in Turkey were mainly concentrated in the \$0K-\$1M bracket in 2022 whereby the share of deals improved from 57% in 2021 to 68% in 2022, while the share of round size \$1M-5M declined from 33% to 25% over the same period.

Transport & Logistics was the leading industry in Turkey in 2022 taking over a share of 51% driven by Getir's \$768M investment. Gaming was the runner up with 23%, while Advertising & Marketing ranked third with 8% of total funding. All of which had MEGA deals closed in 2022.



1<sup>st</sup>

T&L

51%

2<sup>nd</sup>

Gaming

23%

3<sup>rd</sup>

Adv. & Marketing

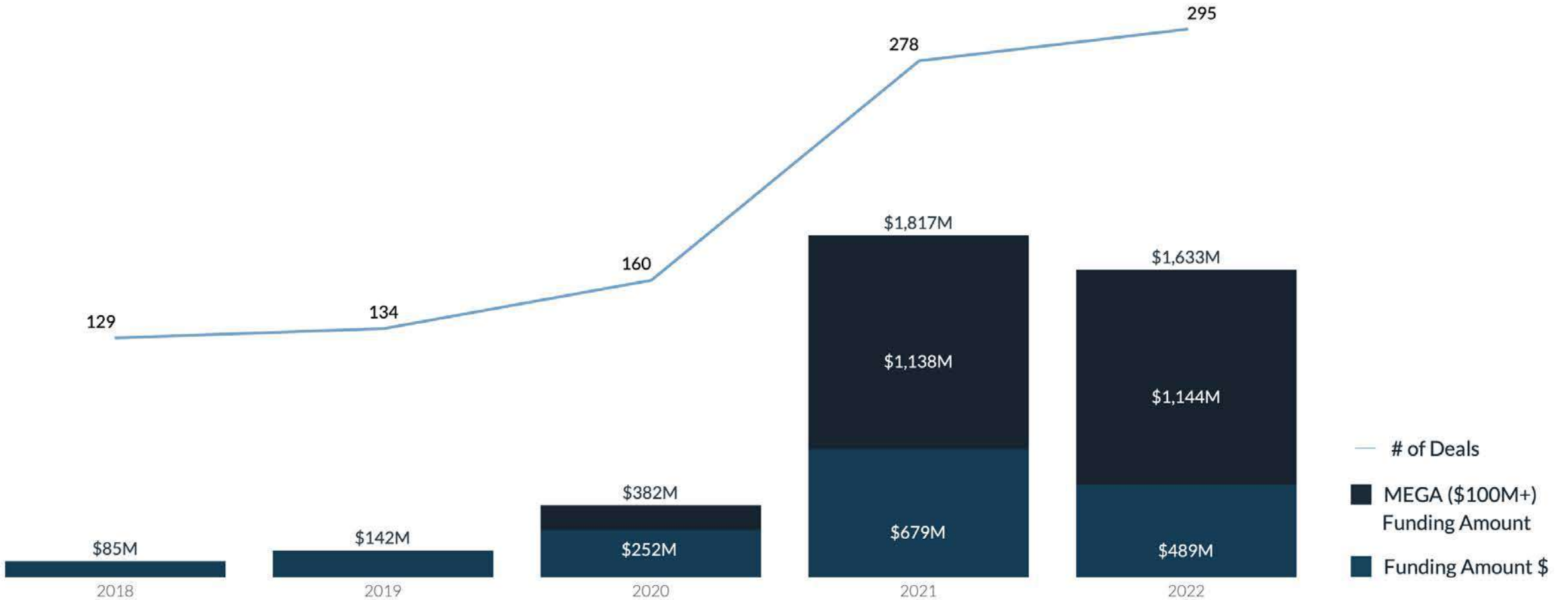
8%



### Largest Raised Rounds

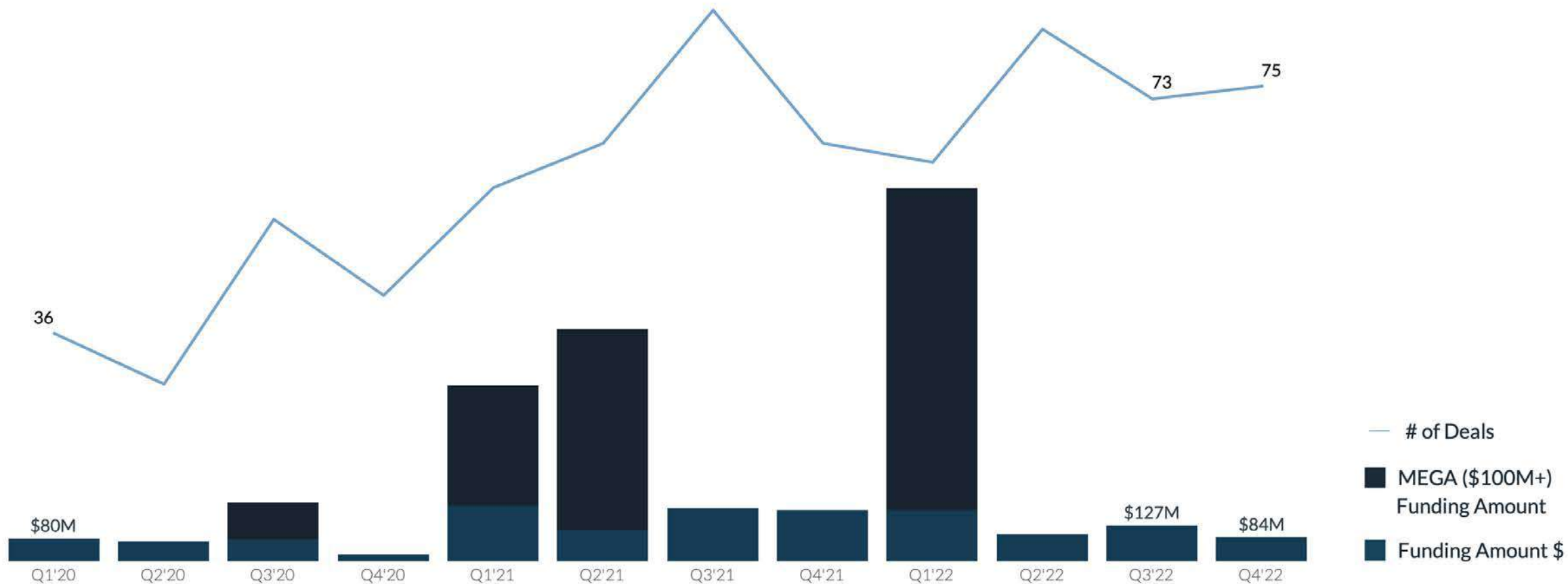


## When stripping out large MEGA deals including Getir and Dream Games, funding in Turkey saw a contraction of 28% compared to 2021

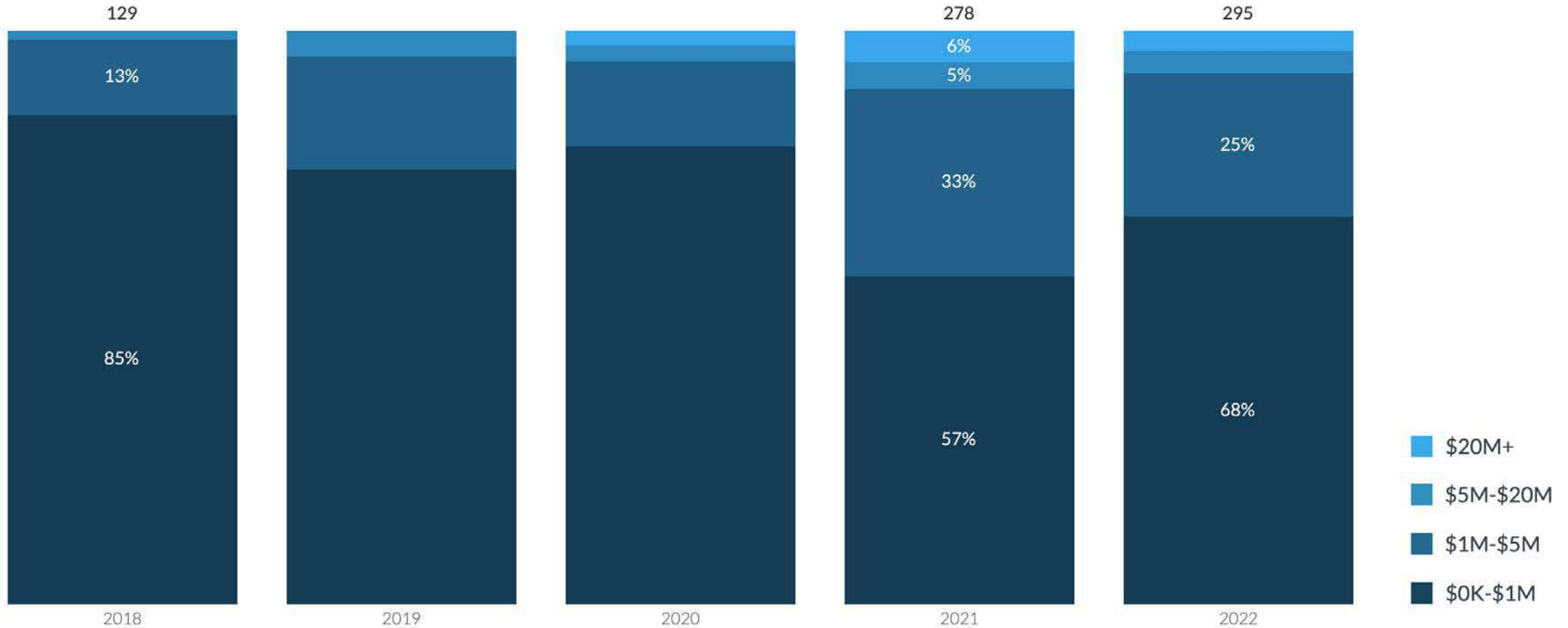




## Turkish investments, removing MEGA deals, returned to early pandemic levels following a slow down in later stage investment activity



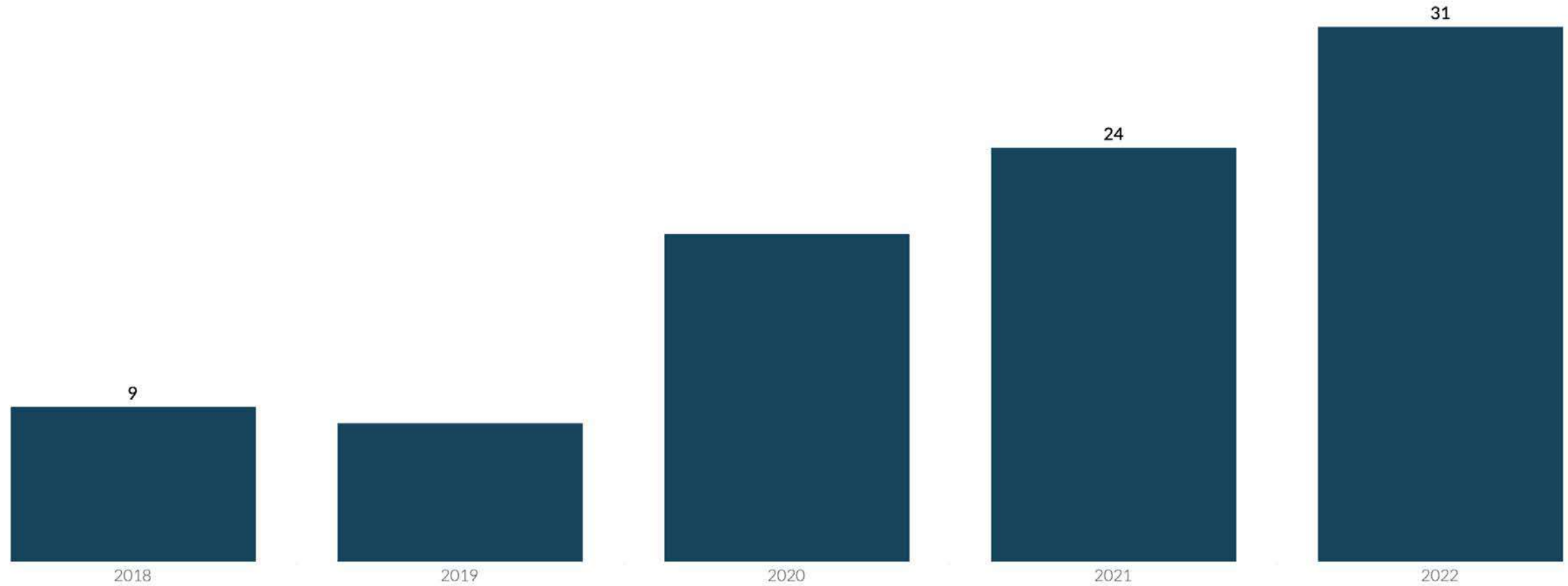
## Round size evolution in Turkey showed a rise in the share of investments less than \$1M round size, showing investors' focus on early stage startups in 2022



## Turkey saw a high concentration in late-stage investment. Getir's investment accounted for 47% and when combined with Dream Games both aggregated 63% of 2022 Turkish funding

No.	Startup	Industry	Month	Stage	Investors	Amount (\$)
1	Getir	Transport & Logistics	March	Series E	Mubadala Ventures, Abu Dhabi Growth Fund (ADG), Alpha Wave Global, LP, Sequoia Capital, Tiger Global Management	768M
2	Dream Games	Gaming	January	Series C	Institutional Venture Partners (IVP), Index Ventures, Balderton Capital, Makers Fund, Kora	255M
3	Insider	Advertising and Marketing	February	Series D	Qatar Investment Authority (QIA), Wamda Capital, Endeavor Catalyst, Riverwood Capital, 212, Sequoia Capital, Esas Private Equity	121M
4	Spyke Games	Gaming	January	SEED	Griffin Gaming Partners	55M
5	n11.com	E-commerce	January	Undisclosed	Getir	50M

## Turkey saw a record 31 exits in 2022, the third consecutive growth



## USA headquartered investors took the lion's share of capital deployed in Turkey, followed by Middle Eastern investors, when combined account for 72% of investment



Estimated capital deployed is an estimate based on the round size, stage, and this investor's other investment.

# Ecosystem Insights

“  
At Endeavor Catalyst we have been actively investing in the region for over a decade - beginning with Turkey in 2012 - and are now in twelve markets across MENAT.

In 2022, we were thrilled to make our first investments in Pakistan (Bazaar) and Morocco (Chari). In 2022, our portfolio companies in the region raised a combined \$2B+, including the Foodics (Saudi Arabia) and TruKker (UAE) mega rounds. While UAE, Turkey, and Egypt stand out as our most active markets, we are also seeing increased venture activity in Saudi Arabia and Lebanon. We have long been believers in the innovation potential out of the region, and look forward to continuing to support the high-impact entrepreneurs leading these efforts

**Jackie Carmel**  
Managing Director - Endeavor Catalyst





# API

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## Get Startup Data

Description: Get startup data such as company headquarters, industries, company type, etc.

POST

<https://gateway.magnitt.com/api/startups/:id>

### Header

FIELD	TYPE	DESCRIPTION
x-magnitt-client-id	string	MAGNITT API client id
x-magnitt-token	string	MAGNITT API secret key

### Query Parameters

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startup_name	string	Startup name	Basic	true
startup_description	string	Startup description	Basic	true
startup_hq	object			true
↳ hq_id	number			
↳ hq_name	string			

Section 09

# INVESTOR RANKING

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Investor benchmarking by deals, estimated  
deployed capital in each region



## MENA: Top investors by number of deals in 2022

Rank	Investor	Investor Type	HQ Location	# of Investments
1	Flat6Labs	Venture Capital (VC)	Egypt	63
2	500 Global	Venture Capital (VC)	United States of America	49
3	Shorooq Partners	Venture Capital (VC)	United Arab Emirates	18
4	Plus VC	Venture Capital (VC)	United Arab Emirates	16
5	Endeavor Catalyst	Venture Capital (VC)	United States of America	13
6	Khwarizmi Ventures	Venture Capital (VC)	Saudi Arabia	12
7	Middle East Venture Partners (MEVP)	Venture Capital (VC)	United Arab Emirates	12
8	VentureSouq	Venture Capital (VC)	United Arab Emirates	12
9	Global Founders Capital	Venture Capital (VC)	Germany	11
10	Impact 46	Venture Capital (VC)	Saudi Arabia	11

## MENA: Top investors by estimated deployed capital in 2022

Rank	Investor	Investor Type	HQ Location	Est. Capital Deployed
1	Endeavor Catalyst	Venture Capital (VC)	United States of America	\$90M
2	STV	Venture Capital (VC)	Saudi Arabia	\$78M
3	IMM Investment Corp.	Venture Capital (VC)	South Korea	\$60M
4	Sanabil Investments	Venture Capital (VC)	Saudi Arabia	\$55M
5	Acacia Partners	Venture Capital (VC)	United States of America	\$50M
6	Shorooq Partners	Venture Capital (VC)	United Arab Emirates	\$49M
7	Sequoia Capital India	Venture Capital (VC)	India	\$46M
8	Mubadala Ventures	Venture Capital (VC)	United Arab Emirates	\$43M
9	Global Founders Capital	Venture Capital (VC)	Germany	\$41M
10	Vision Ventures	Venture Capital (VC)	Saudi Arabia	\$39M

Estimated capital deployed is an estimate based on the round size, stage, and this investor's other investment.

## Africa: Top investors by number of deals in 2022

Rank	Investor	Investor Type	HQ Location	# of Investments
1	Flat6Labs	Venture Capital (VC)	Egypt	42
2	Launch Africa	Venture Capital (VC)	Mauritius	21
3	500 Global	Venture Capital (VC)	United States of America	18
4	Plug and Play Ventures	Venture Capital (VC)	United States of America	17
5	Future Africa	Venture Capital (VC)	Nigeria	16
6	4DX Ventures	Venture Capital (VC)	Ghana	14
7	Voltron Capital	Venture Capital (VC)	Nigeria	13
8	Kepple Africa Ventures	Venture Capital (VC)	Japan	9
9	Plus VC	Venture Capital (VC)	United Arab Emirates	9
10	SOSV	Venture Capital (VC)	United States of America	9

## Africa: Top investors by estimated deployed capital in 2022

Rank	Investor	Investor Type	HQ Location	Est. Capital Deployed
1	C5 Capital	Venture Capital (VC)	United Kingdom (UK)	\$50M
2	Avenir Growth Capital	Venture Capital (VC)	United States of America	\$48M
3	British International Investment (CDC Gr..)	Venture Capital (VC)	United Kingdom (UK)	\$44M
4	4DX Ventures	Venture Capital (VC)	Ghana	\$38M
5	Novastar Ventures	Venture Capital (VC)	Kenya	\$38M
6	Lux Capital	Venture Capital (VC)	United States of America	\$32M
7	Quiet Capital	Venture Capital (VC)	United States of America	\$31M
8	Bond	Venture Capital (VC)	United States of America	\$30M
9	DN Capital	Venture Capital (VC)	United States of America	\$30M
10	Spike Ventures	Venture Capital (VC)	United States of America	\$30M

Estimated capital deployed is an estimate based on the round size, stage, and this investor's other investment.

## Pakistan: Top investors by number of deals in 2022

Rank	Investor	Investor Type	HQ Location	# of Investments
1	SOSV	Venture Capital (VC)	United States of America	13
2	i2i Ventures	Venture Capital (VC)	Pakistan	7
3	Indus Valley Capital	Venture Capital (VC)	Pakistan	7
4	Fatima Gobi Ventures	Venture Capital (VC)	Pakistan	6
5	Zayn Capital	Venture Capital (VC)	United Kingdom (UK)	6
6	Sarmayacar	Venture Capital (VC)	Pakistan	5
7	Reflect Ventures	Venture Capital (VC)	United States of America	4
8	Deosai Ventures	Venture Capital (VC)	Pakistan	3
9	RaliCap (Rally Cap Ventures)	Venture Capital (VC)	United States of America	3
10	Shorooq Partners	Venture Capital (VC)	United Arab Emirates	3

## Pakistan: Top investors by estimated deployed capital in 2022

Rank	Investor	Investor Type	HQ Location	Est. Capital Deployed
1	Indus Valley Capital	Venture Capital (VC)	Pakistan	\$15M
2	Sarmayacar	Venture Capital (VC)	Pakistan	\$14M
3	Zayn Capital	Venture Capital (VC)	United Kingdom (UK)	\$14M
4	Acrew Capital	Venture Capital (VC)	United States of America	\$9M
5	BY Venture Partners (BYVP)	Venture Capital (VC)	United Arab Emirates	\$9M
6	Defy VC	Venture Capital (VC)	United States of America	\$9M
7	Wavemaker Partners	Venture Capital (VC)	United States of America	\$9M
8	SOSV	Venture Capital (VC)	United States of America	\$5M
9	Fatima Gobi Ventures	Venture Capital (VC)	Pakistan	\$5M
10	i2i Ventures	Venture Capital (VC)	Pakistan	\$4M

Estimated capital deployed is an estimate based on the round size, stage, and this investor's other investment.

## Turkey: Top investors by number of deals in 2022

Rank	Investor	Investor Type	HQ Location	# of Investments
1	APY Ventures	Venture Capital (VC)	Turkey	15
2	Alesta Investment	Venture Capital (VC)	Turkey	13
3	TechOne Venture Capital	Venture Capital (VC)	Turkey	11
4	Boğaziçi Ventures	Venture Capital (VC)	Turkey	9
5	Finberg	Venture Capital (VC)	Turkey	9
6	Lima Ventures	Venture Capital (VC)	Turkey	6
7	Mindvest	Venture Capital (VC)	Turkey	6
8	ScaleX Ventures	Venture Capital (VC)	Turkey	5
9	Teknoloji Yatırım A.S. - TTV1 FUND	Venture Capital (VC)	Turkey	5
10	Diffusion Capital Partners	Venture Capital (VC)	Turkey	4

## Turkey: Top investors by estimated deployed capital in 2022

Rank	Investor	Investor Type	HQ Location	Est. Capital Deployed
1	Mubadala Ventures	Venture Capital (VC)	United Arab Emirates	\$250M
2	Sequoia Capital	Venture Capital (VC)	United States of America	\$147M
3	Griffin Gaming Partners	Venture Capital (VC)	United States of America	\$55M
4	Makers Fund	Venture Capital (VC)	Singapore	\$54M
5	Balderton Capital	Venture Capital (VC)	United States of America	\$53M
6	Index Ventures	Venture Capital (VC)	United Kingdom (UK)	\$51M
7	Institutional Venture Partners (IVP)	Venture Capital (VC)	United States of America	\$51M
8	Esas Private Equity	Venture Capital (VC)	Turkey	\$45M
9	212	Venture Capital (VC)	Turkey	\$18M
10	Endeavor Catalyst	Venture Capital (VC)	United States of America	\$17M

Estimated capital deployed is an estimate based on the round size, stage, and this investor's other investment.



# Ecosystem Insights

“Capital deployment in regional VC continued at a record pace in 2022, with a clear focus on fundamentals. Because global equity markets were unsettled in 2022 and tech startup valuations started to reflect not just [traditionally] the pace of the company’s revenue growth, but also the type of sales (“recurring” or otherwise), the startup’s “unit economics” and resulting gross margin, as well as the estimated “customer lifetime value”.

Moreover, concepts such as “path to profitability” were discussed at due diligence sessions not just in Series A or B situations, but as early as Seed stage opportunities. All these are positive trends, likely to persist in 2023.

**Ivo Detelinov**  
Partner - Hambro Perks Oryx Fund



# ABOUT MAGNiTT



# About Us

## The number one platform for verified venture capital data in the Middle East, Africa, Pakistan, and Turkey

MAGNiTT, an enterprise **SaaS solution provider** headquartered in the Dubai International Financial Centre (DIFC), is the number one source of verified investor, start-up, and funding data in the Middle East, Africa, Pakistan, and Turkey (MEAPT)



MAGNiTT's software helps its subscribers identify the right investment opportunities through its **32,000-strong database**, allowing you to conduct market research, identify leads, and create impactful data-led presentations.



MAGNiTT aids decision-making by providing **real-time dashboards** allowing subscribers to generate in-depth reports, track and monitor trends, and identify business critical insights within the venture capital industry.



MAGNiTT has become the region's largest source of venture capital data and analytics and is the reference for worldwide media, including The Wall Street Journal, Bloomberg, World Economic Forum, The Financial Times, Al Arabiya, and The National.



Organisations including big tech, investors, governments, and consulting firms rely on MAGNiTT every day to inform their venture capital decisions and increase their competitive advantage.

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get access to more insights and speak to our team for a demo

## MAGNiTT 's Data

25,000  
Startups

7,000  
Investment Firms

10,000  
Funding Rounds

6,700  
Founders

600  
Exits

2,000  
Investors

## We Are The Reference For

العربية  
alarabiya

Gulf Business

Bloomberg

CNN

Entrepreneur

crunchbase news

The National

Khaleej Times

wamda

WORLD ECONOMIC FORUM

ARAB NEWS

TECHCrunch

TECHINASIA

THE WALL STREET JOURNAL  
WSJ

FT  
FINANCIAL TIMES

# Testimonials



**Sofiane Haddadi**

“Prior to using MAGNiTT , we relied on desk research, market intelligence, and estimations. MAGNiTT has been instrumental in providing us one and unique reliable source of information when it comes to the startup industry in our region.”



**Luca Barbi**

“MAGNiTT provides indispensable insights to define our investment strategy. We read through the quarterly VC reports to understand industry trends and dynamics across countries, sectors and investment stages.”

STV

# MAGNiTT Methodology

MAGNiTT's proprietary database and software provides access to data from multiple sources: user-submitted data verified by MAGNiTT, aggregated public information, data engineered by MAGNiTT. All non-engineered data is verified and curated with an extensive process for inclusion in its analytic reports.

## Data is the foundation of thriving entrepreneurship ecosystems.

### Proprietary

Startups and institutions list their proprietary information on their funding amount, stage, date, and investors directly onto the MAGNiTT platform. All funding data is validated through a rigorous process. To ensure comprehensiveness in the data, on a quarterly basis a follow-up with verified funding institutions on MAGNiTT occurs, requesting details on all their investments, including stage, amount, date, and other co-investors. This includes, and is not limited to, VCs, CVCs, angel groups, accelerators, university funds and family offices for MAGNiTT's focus geographies.

### Public

We undertake a continued gathering of public announcements and press releases on the venture funding landscape across MAGNiTT's focus geographies.

### Engineering Data

Where information is incomplete or undisclosed, proprietary algorithms that tap into MAGNiTT's databases are used to create estimates for undisclosed data with factors including but not limited to year of funding, location of startup, stage of investment and the company's industry.

MAGNiTT encourages you to review the methodology and definitions employed to better understand the numbers presented in this report. If you have any questions about the definitions or methodological principles used, reach out to MAGNiTT directly. Below is an outline of the approach and criteria used in MAGNiTT's research analysis:

**What is included:** Equity financing into private companies. Funding rounds included must be to VC-backed companies. VC-backed companies are defined as companies that have received funding at any point from: venture capital firms, corporate venture arms, accelerator programmes, or Angel investors. Where disclosed Angel investments are made at early stages these deals are included once verified.

**Excludes:** It excludes debt or other non-equity funding, lending capital, grants and ICOs.

**Exits:** M&A and IPOs are treated as exits: excluded from funding data, but included in exit data. Exit types that are excluded from this report are buyouts and secondary rounds.

**Transaction date:** Where provided the date of the transaction is based on the closing date of the round. Where this is unavailable, it is recorded as the announced date per public record.

**Data lags:** The data contained in this report comes directly from MAGNiTT, reported as of **January 4th 2022**. Data lags are most pronounced at the earliest stages of venture activity. The data aggregated for these rounds during the latest quarter, specifically with seed funding, increases significantly after the end of that quarter.

**Verified Rounds:** To ensure accuracy and confidence in our data,

MAGNiTT undertakes a verification process for each funding round based on the following process:

- Direct confirmation from the funding institution or investor
- Validated if there is a 3rd party source for the investment round from credible media sources or press releases.
- Various regulatory filings where applicable
- A round is not verified if it has none of the above 3rd party reference

**Country HQ:** In each of our venture reports, the location for which the data is analysed is based on the startup's HQ as chosen and verified by the startup and reflected on the MAGNiTT platform. When analysing a particular geography, our research does not include:

- Investments in startups from diaspora founders
- Funding for startups who have their main HQ outside of our coverage with only a subsidiary or branch in that country

**Primary Industry:** In each of our venture reports, the industry by which the data is analysed is based on the startup's Primary Industry (main operational focus) as chosen and verified by the startup and reflected on the MAGNiTT platform. When analysing a particular industry, our research does not include:

- Startups who's secondary focus is that industry

**Historical changes:** We continue to improve historical data as we further verify our data sets and expand by geography while reaching out to new funding Institutions. Continued improvements in our technology and data operations will lead to more accurate and comprehensive data sets on the platform for our research analysis.

- ▶ All underlying data from the report is available online via [magnitt.com/funding-rounds](https://magnitt.com/funding-rounds). For more info please visit [magnitt.com](https://magnitt.com) or contact [support@magnitt.com](mailto:support@magnitt.com)
- ▶ If you feel your firm has been underrepresented, please send an email to [data@magnitt.com](mailto:data@magnitt.com) and we can work together to ensure your firm's investment data is up-to-date

A stylized world map in shades of blue and teal, centered on the Atlantic Ocean, serving as a background for the logo.

**MAGNITT**

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