



Tech - Start Up Investments Round Up

Tracking the funding space in
MENA Region

Q3 2022

— October , 2022

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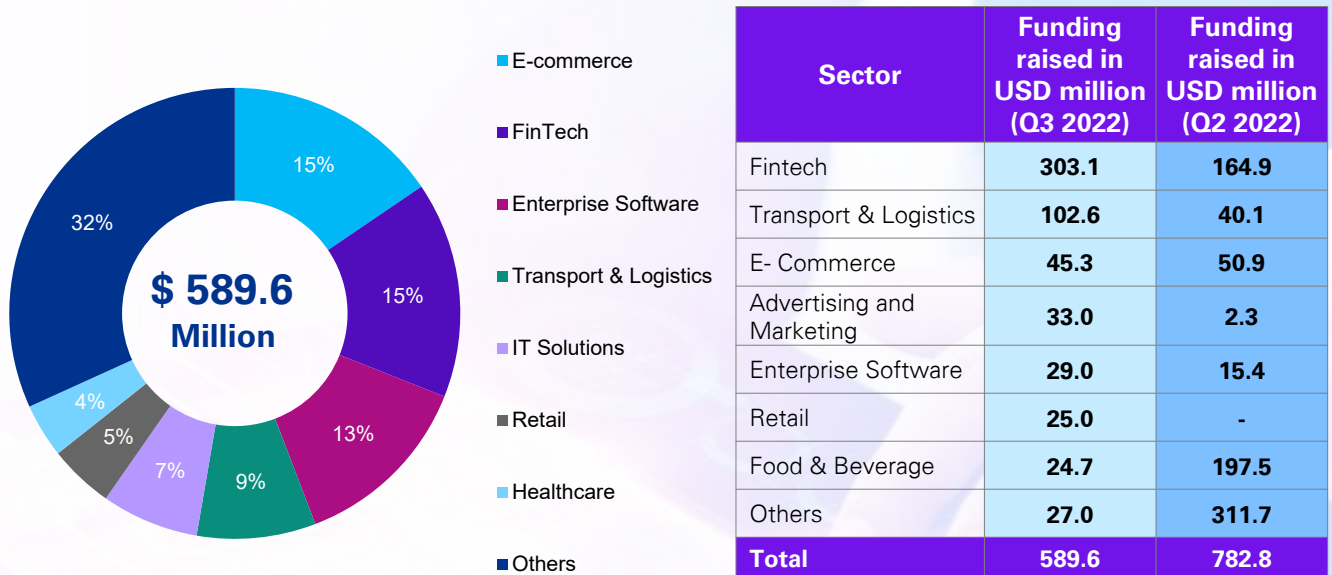
Overview of Tech – Startup Investments in MENA region



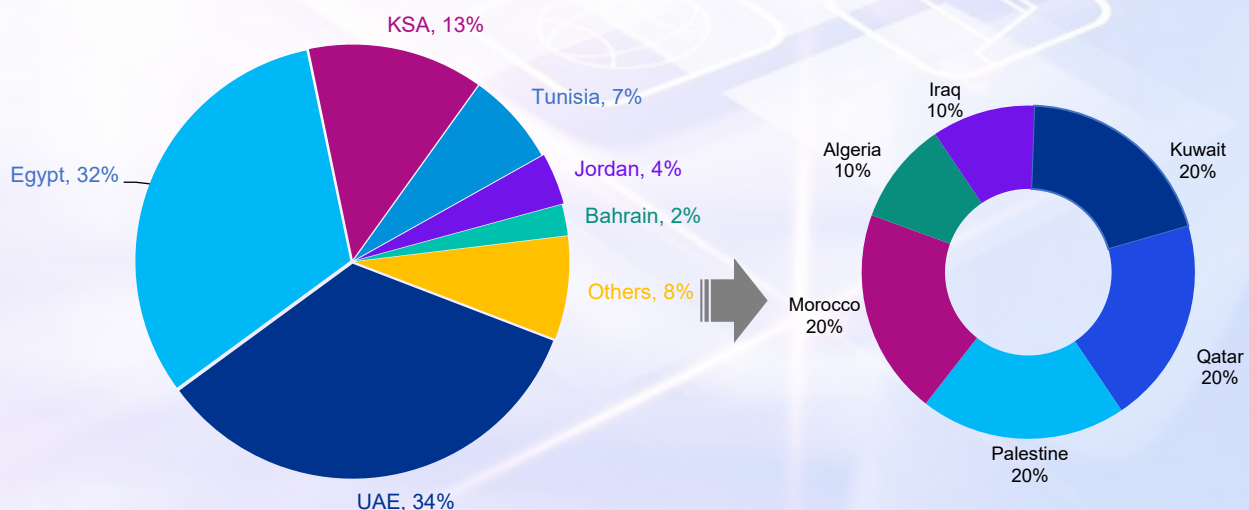
Tech – Startup Investments in the region – Q3 2022

Funding Snapshot

Sector wise distribution of funding raised in the region during Q3 2022



Country wise distribution of funding raised in the region during Q3 2022



Source: Magnitt, KPMG Research

1 Region refers to MENA

MENA region consists of GCC countries such as Qatar, Saudi Arabia, United Arab Emirates, Kuwait, Oman and Bahrain along with Egypt, Lebanon, Tunisia, Morocco, Palestine, Jordan and Iraq. Funding refers to deal announcements in technology – start up space in the defined region.

Top startup investments in the region ¹

#	Start Up	Sector	Country	Amount and Funding Stage	Investors
1	Karty	Fintech	Qatar	\$ 1.18 million Pre Seed	Visa, Qatar Development Bank , Qatar Foundation
2	Sponix	Sports & Fitness	Qatar	Undisclosed Series A - Venture	Aser Ventures
3	Tabby	FinTech	UAE	\$ 150.0 million, Undisclosed	Atalaya Capital Management , Partners for Growth
4	Tamara	FinTech	KSA	\$100.0 million, Series B	Sanabil Investments , Coatue Management , Shorooq Partners , Endeavor Catalyst , Checkout.com
5	TruKker	Transport & Logistics	KSA	\$ 100.0 million, Series C	Investcorp , Mubadala Ventures , March Holding Limited , Reliance Group – Egypt , Riyadh Valley Company
6	YAP	FinTech	UAE	\$ 41.0 million, Undisclosed	AlJazira Capital , Abudawood Group , ASTRA Group , Audacia Capital
7	ArabyAds	Advertising and Marketing	UAE	\$ 30.0 million, Pre-Series B	AfricInvest
8	Homzmart	E-commerce	Egypt	\$ 23.0 million, Pre - Series B	STV , Impact 46 , Outliers Venture Capital , Rise Capital , Nuwa Capital
9	Cartona	Retail	Egypt	\$ 12.0 million, Series A	Silicon Badia , Global Ventures , SANAD Technical Facility , AB Accelerator , Kepple Africa Ventures , Sunny Side Venture Partners

Source: Magnitt, KPMG Research

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Top startup investments in the region ¹

#	Start Up	Sector	Country	Amount and Funding Stage	Investors
10	Eat	Food & Beverage	Bahrain	\$ 11.0 million, Series B	Middle East Venture Partners (MEVP), 500 Global, Derayah, Ali Zaid Al-Quraishi & Brothers, Rasameel Investment Company شركة رساميل للاستثمار, Dallah Albaraka
11	Elevatus Inc.	Enterprise Software	KSA	\$ 10.5 million, Series A	Saudi Aramco Entrepreneurship, Global Ventures, otf Jasoor Ventures
12	Dukkantek	Enterprise Software	UAE	\$ 10.0 million, Pre - Series A	BECO Capital, rocketship . Vc, Colle Capital, Comma Capital, AMK Investment Office, Wamda Capital, Chaos Ventures

For both domestic and foreign investors, MENA region is gaining popularity as a place to invest. The Middle East and North Africa (MENA) region is seeing a rise in startups as a result of the governments' efforts to diversify their economies in the region.

In the 3rd quarter of 2022, we saw 129 funding transactions which raised a total funding amount of ~\$ 589.6 million. Fintech sector continues to lead the market both in terms of funding size and number of transactions.



Nizar Hneini
Partner, Advisory
Head of Digital and Innovation
KPMG in Qatar

Source: Magnitt, KPMG Research

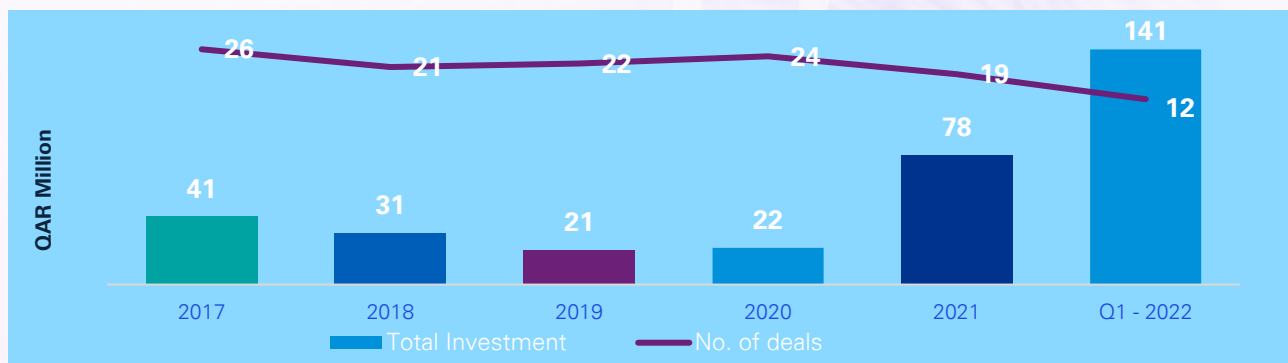
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A look at Qatar's Startup Ecosystem



Qatar Focus

Qatar tech-start up investments snapshot (2017 – Q3 2022)



Note : For Q3 – 2022 the total funding commitment could be higher than this amount as there are certain deals for which the amount raised has not been disclosed in the public domain

Qatar tech-start up investments snapshot in YTD Q3-2022*

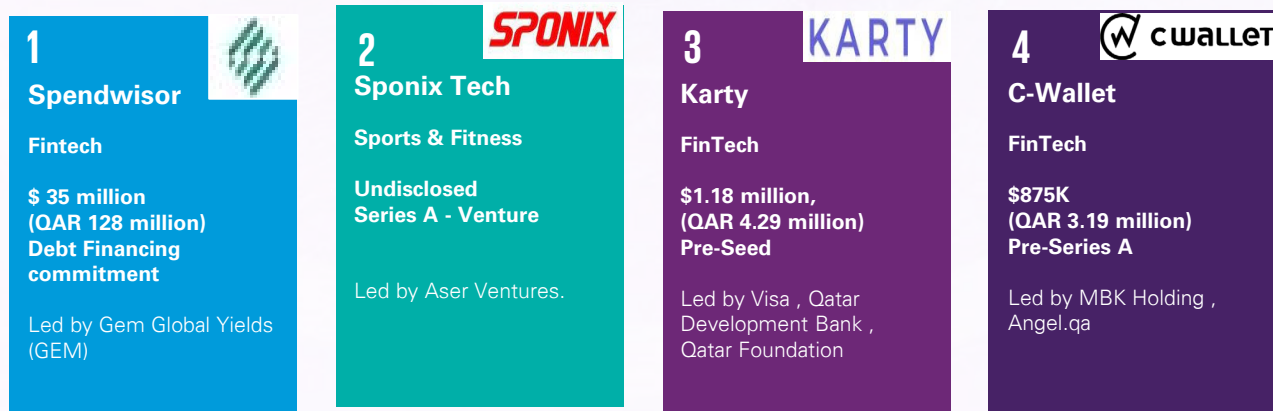


“ Qatar is experiencing substantial growth in startup investments since startups have received total funding & commitments of ~QAR 141 million against 12 deals during YTD 2022. This year , we saw the overall investments in startup grow by more than 80% . Fintech-led startups continue to dominate Qatari markets both in terms of funding size and number of transactions. ”



Karthik Jagadeesan
Associate Director,
Advisory
KPMG Qatar

Top 4 tech-start up deals in Qatar (YTD Q3-2022)



Source: Magnitt, KPMG Research

Startup in focus

The methods of payment have evolved over the years, and more so in the recent times with the digital push that we have come to the point where we can pay without handling physical cash or card. Cashless payments apps are gaining popularity as a method of payment because with just a tap on the phone, you can pay for your purchase, or transfer money to anybody anywhere.

Founded in 2019, C-Wallet, award winning startup, began operations with digital wallets and prepaid cards to simplify the process of sending and receiving money within Qatar. Via the app, the user can receive salaries on time, conduct online, offline and mobility transactions, pay bills, buy groceries from local and international stores, and ultimately send money home, anytime, anywhere within a single app.

C-Wallet was one of the finalist in the **KPMG Tech Innovator Competition (KTIC)-2022** held in October 2022. (which will be covered in detail in next edition)

“ Our goal is to financially empower those who are unbanked by providing a cheaper, more inclusive and cashless solution.¹ ”



Michael Javier
Co-Founder and CEO,
C-Wallet

What is C-Wallet? What do you do?

C-Wallet is an award-winning Fintech Startup with basic principles of Payroll, Payment, and Remittance, allowing users to receive their salary on time, conduct online and offline transactions and ultimately send money at any time, anywhere with any currency. The company is in-line with the United Nations ESG (Environment, Social and Governance) goals of supporting Financial Inclusion and Literacy by promoting a cashless society without leaving anyone behind.

1. Source: Qatar Tribune
Interview with Mr. Michael Javier, C-Wallet website

How is C Wallet different than all the other fintech startup companies out there today?

We are positioned to provide Multi Functional Services with High Social Impact. Our approach is to provide is to become a Super Services Provider rather than just being a Super App. C-Wallet is a financial technology firm that develops and delivers online, mobile and point of sale solutions across Qatar and the Region, providing digital wallet, marketplace, payment gateway, and prepaid cards to banked and unbanked consumers as well as online merchants, offline merchants as well. Such services will be delivered on a regulated manner.

Nearly all major banks in Qatar offer mobile banking solutions. How can you compete with the incumbents?

We are serving both Banked and Unbanked Customers and offers a non-exclusive services regardless of the Telco Provider. Our integration covers beyond mobile banking solutions that offers local and international transfers, local and international bills payment with local and international ecommerce. C-Wallet will also be providing multi currency virtual prepaid cards so that expats and frequent travelers can use C-Wallet mobile money solutions abroad. A key advantage that C-Wallet is leveraging is the strategic partners; with the largest bank in MEA that will provide various banking support and services, one of the leading and pioneer exchange house in Qatar and the world leader in digital payments, facilitating transactions between consumers, merchants, financial institutions and government entities across more than 200 countries and territories.

Can you tell us a bit about Qatar's regulations and support for the fintech sector?

After just 8 weeks in the Sandbox program, CWALLET has been encourage by Qatar Central Bank to submit an application for a Payment Service Regulation License to operate in the State of Qatar

The Payment Service Regulation is considered one of the most important regulations supporting the development of the financial sector and promoting innovation, cashless transactions, and financial diversity and inclusion.

The vote of confidence by the regulators has boost our team and investors credence that we shall achieved such prestigious license at the highest level because of our strategic partnership with the biggest, largest and most dominant stakeholders in the startup and financial ecosystem.

What is the biggest challenge you face in Qatar and what could be done to address such challenges?

Like any thriving startups, challenges keeps coming while we progress. We are lucky because of the stakeholders that are working closely and the teams tireless efforts in achieving our goal. I can say that our main endeavor will be the lack of talents that are available in the local context. The local ecosystem should mature fast and attract talents because its no longer just silicon valley or Singapore that is competing to hire the best of the best in the industry. The regional competition has even make it more difficult. Now the only way to bring them over is to offer ESOP (Employee Stock options + Attractive Salary packages), however the Law of the land still doesn't support such offerings.

Congratulations on your latest fund raise of US\$ 850,000 ? Can you please tell us more about how do you intend to utilize such funding

We have spent mainly our entire resources getting the Full Payment Service License and Product Development.

Can you tell us a bit about your expansion plans. How does the World Cup in Doha play into your strategy?

World cup is a momentous event for Qatar and the region and it will allow us to showcase home grown startups. However our plans is beyond world cup. To date we have registered CWALLET in Dubai with ongoing strategic offices in Singapore and Back Office in Malaysia. By 2nd Quarter next year we will commence our journey to KSA and other GCC market. We are aiming to launch a multi lingual platform to cater 35 Million Expats in GCC, including Jordan and Lebanon.

Source: Interview with Mr. Michael Javier

A guide to growing your business



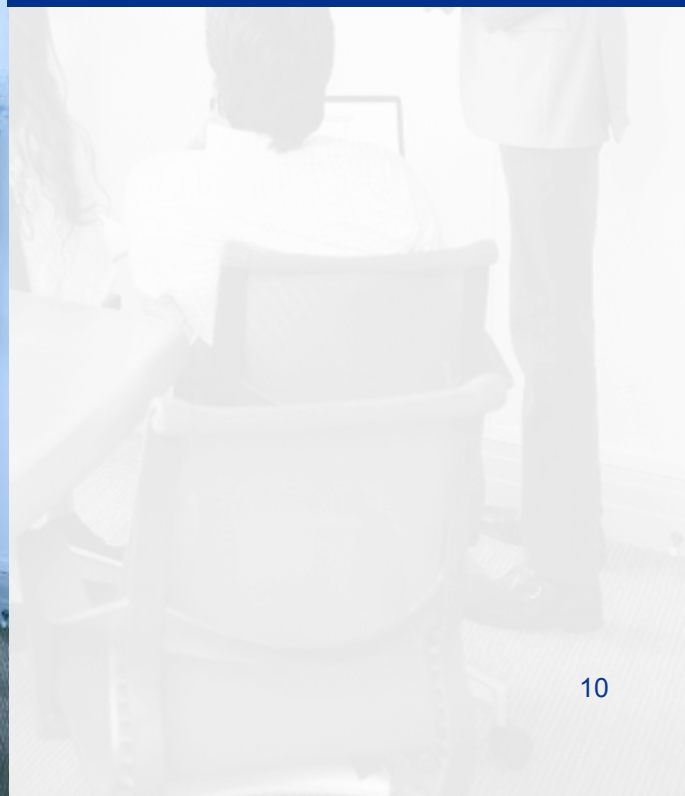
A guide to growing your business - Building your Brand



Your brand is one of your company's most valuable assets. It connects your company to the hearts and minds of your customers, investors, and the marketplace and begins building on day one.



Branding is much broader than logos and tactical activities. Your logo, tagline, and website are all expressions of your brand. Your actual "brand" is the emotional response and mental associations people make with your company as a result of the multitude of interactions with your brand expressions, products, employees, and services. It is your company's persona, identity, and purpose in the world.



Source: KPMG

KPMG

Building your Brand

Building a brand is all about shaping public perceptions. To do this effectively requires careful planning and execution. Here are a few to help you get started:

01

Define a higher purpose and mission statement

At the core of every strong brand is a higher purpose that explains why the company exists beyond profits. A purpose is a motivating, timeless statement that outlives your tagline and growth cycles. It inspires and unites your employees for a shared cause and serves as a foundation for your mission statement and other external brand messages. Think of your purpose as an internal declaration of why you exist and your mission statement as an external communication of what you do and for whom. Remember your brand starts internally with your culture, values, and mindset long before it hits the market.

02

Differentiate your Brand

As you define your purpose and mission statement, consider how your startup is unique in solving a problem for your target market. Make sure your customer promise is differentiated from the competition. A strong purpose and mission statement articulates what's unique and special about your company and the value it provides to the world. Keep in mind, differentiation without relevance adds no value to your brand. The uniqueness of your offering is only powerful if your target market agrees.

03

Pick a brand name

Good products, great customer experience, and strong brand messaging will be most impactful to your startup's success, but a brand name should not be overlooked. Consider choosing a short name that is memorable and invokes positive thoughts. Your name should be easy to pronounce and read. To ensure consistency, create your brand name in conjunction with your mission statement and product offerings. It is also wise to search trademark databases to ensure your preferred name is available.

04

Build a visual identity

Your visual brand identity is built through the consistent use of visual expressions. Examples of common visual expressions that can be used to develop brand identity, Logos, stationary / Letterheads, advertisements, Presentation Templates, brochures and sales materials, taglines, product packaging, websites and digital/mobile pages, business cards.

05

Brand is experiential

Branding is more than logos and taglines. Every interaction, both passive (e.g., customer reading a website) and active (e.g., customer interacting with a salesperson), shapes the overall brand perception. It is crucial all points of interaction with the customer represent your brand.

06

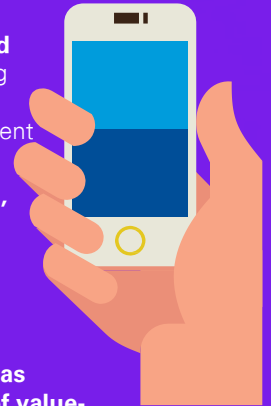
Always be consistent

The most damaging thing you can do to your brand is to be unpredictable. Consumers build a brand perception based on what they've come to expect from your company. Be genuine and consistent in everything your company does. Whether the consumer is surfing your company's website, driving by a billboard ad, reading an email from a service rep, or using your products, the brand experience and visual identity should be consistently invoked and easily recognizable.

Trending stories across MENA region

Tech startups

- 1. Qatar University (QU) yesterday announced the spin-off of its first faculty-led startup in the Fintech sector — Genesis Technologies LLC.** The founders along with their team of blockchain developers have developed a novel block chain technology platform, that promises to enable radically more cost and energy-efficient decentralized and secure transactions in the digital economy.
- 2. CWallet, an award-winning Qatar-based payment processing fintech startup, has partnered with M2P Fintech, Asia's largest API infrastructure company, to enable prepaid and multi-currency cards in Qatar.** This partnership is aimed at promoting financial technology intelligence, financial inclusion, and services not only to the unbanked majority but also to Qatar residents, citizens, and businesses.
- 3. GluCare.Health, a hybrid digital therapeutics company focused on diabetes, has announced it has become the first provider globally to have met the criteria of value-based practices** by fulfilling the International Consortium of Health Outcomes Measurements (ICHOM) certification process.
- 4. Selfologi.com, the first-of-its-kind booking site for cosmetic treatments** has launched the first digital concierge service to further innovate how consumers discover, learn about, and book cosmetic treatments. The exclusive, free feature instantly connects users with selfologi's concierge team to help them choose from over 15,000 treatment options by more than 350 practitioners from leading clinics across the UAE.
- 5. The Mohammed Bin Rashid Innovation Fund [MBRIF] today announced it has provided funding support to Bayzat, the UAE's leading employee benefits platform,** as part of its Guarantee Scheme. As a technology firm that enables businesses to better cater to the needs of employees and drive efficiencies in the HR, payroll, and insurance functions, Bayzat will use the fund secured with MBRIF's guarantee, to expand its workforce with a focus on further strengthening its technical development team.



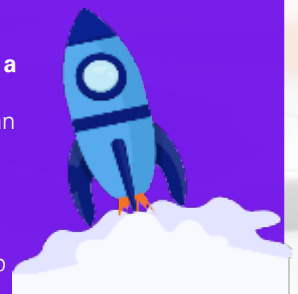
Venture capitals

- 6. The SaaS startup that originated from Egypt and relocated to Saudi Arabia, Glamera, has raised Seed funding of \$1.3 million in a round** that was led by Riyadh Angels Investors (RAI). The round witnessed participation from Techstars Accelerator, Ithraa Venture Capital, 100 Ventures, Silicon Valley Venture "Lucrative Ventures", and Super Angel Investors.
- 7. QIA has agreed to invest \$2.43 billion in Germany's largest power producer RWE AG, to help it buy US firm Con Edison Inc's Clean Energy Businesses subsidiary for \$6.8 billion.** According to a Reuters report, RWE will issue a mandatory convertible bond to a QIA subsidiary, through which Qatar's sovereign wealth fund will become a 9.1 percent shareholder in RWE.
- 8. The venture capital arm of Kuwait-based global logistics and warehouse provider Agility has invested \$20 million (KWD 6 million) in Loop Global,** a US-based company that develops electric-vehicle (EV) charging stations and networks, it said in a regulatory filing on Boursa Kuwait.



Incubators and accelerators

- 9. Qatar Financial Centre Authority (QFCA) and Enterprise Singapore have signed a Memorandum of Understanding (MoU) to promote investment opportunities between the two economies.** The MoU is QFC's first agreement with a Singaporean organization, enhancing its close collaboration with the Southeast Asian country.
- 10. Bahrain is among the top countries in attracting venture capital worth \$52 million last year,** an economic report revealed. Venture capital investments in Bahrain increased by 167 per cent last year compared to the previous year, as startup funding in the Middle East rose by 138pc recording \$2.5 billion.



Source: Zawya, The Peninsula, Wamda, Trade Arabia, Khaleej Times, Arab news, Gulf Times, KPMG Research

About KPMG in Qatar

KPMG has had a presence in Qatar for over 40 years. We opened for business here in 1978 and are now one of the largest and most established professional services firms in the country. Our 350+ professionals are led by 9 Qatar-based partners.

We recruit the best and brightest from around the world and currently employ over 30 different nationalities.

KPMG in Qatar is an independent member firm affiliated to KPMG International, along with a network of global member firms.

KPMG member firms operate in 145 countries, collectively employing more than 236,000 people, serving the needs of business, governments, public-sector agencies, not-for-profits and through member firms' audit and assurance practices, the capital markets.

KPMG is committed to quality and service excellence in all that we do, bringing our best to clients and earning the public's trust through our actions and behaviors both professionally and personally.

We lead with a commitment to quality and consistency across our global network, bringing a passion for client success and a purpose to

serve and improve the communities in which member firms operate. In a world where rapid change and unprecedented disruption are the new normal, we inspire confidence and empower change in all we do.

Industry focus across Qatar

To enhance the services that we offer, many of our consultants specialize in a particular field or industry. KPMG was the first of the 'Big Four' firms to establish global, industry-focused networks which help us to provide an informed perspective on the latest trends and issues affecting our clients' businesses. In Qatar, we have professionals across most of the country's key sectors, all of whom are active members of our global networks.

Our industry groups include:

- Government
- Energy and Natural Resources
- Financial Services
- Media, Telecommunications and Technology
- Infrastructure and PPP
- Building, Construction and Real Estate
- Family-owned Businesses and Small and Medium-sized Enterprises

40+

years working with some of Qatar's most prestigious businesses and organizations

350+

Professional staff based in Qatar

145

KPMG member firms operate in 145 countries

Audit

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