



VENTURE CAPITAL
AND PRIVATE EQUITY
ASSOCIATION

In collaboration with:



SAUDI VENTURES

A quarterly report

Quarter 2, 2020

Saudi Ventures

A quarterly report highlighting the Saudi VCPE Association's activities, sharing the industry's updates and delivering insights on the VC PE scene in Saudi Arabia.

Delivered in Collaboration with Jawlah.



A Note from the Association's Board

We are delighted to release the association's second quarterly report (Saudi Ventures). The report shares updates on key association's activities and initiatives, as well as the ecosystem at large, to bolster the Saudi VC and PE industry. These include research, events and programs, partnerships, in addition to regulatory updates.

The report also shines a spotlight on the local VC activities in the second quarter of 2020 with some analyses, insights and positive trends. Despite the shockwaves that COVID-19 has sent through many areas of the economy, the Saudi entrepreneurship ecosystem witnessed significant capital investments. Such investments leveraged some of the unique market advantage that emerged and the Saudi government's effective stimulus measures.

We are very excited to welcome the association's new members. I invite you to connect with and learn more about them in our new member spotlight section of this report. I would also like to take this opportunity to invite the wider Venture Capital and Private Equity community to join our association and be a part of driving and scaling up the collective ongoing efforts.

We hope you will find this quarter's report informative, insightful and productive to read.

Omar A. Almajdouie,
Vice Chairman, Saudi VCPE Association

Q2, 2020
Volume 1, Issue 2

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INNOVATION
AND ECONOMIC
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أرامكو السعودية
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entrepreneurship

Ecosystem Partners



الشركة السعودية للاستثمار الجريء
Saudi Venture Capital Company

استثمر في السعودية

INVEST
SAUDI



THE SAUDI VCPE ASSOCIATION'S COVID-19 INITIATIVES:

VCPEA organized a number of events to support the sector in the wake of COVID-19 crisis. These events include:



Opportunities and challenges facing the Saudi VCPE Ecosystem in the wake of COVID-19 pandemic

The webinar addressed key challenges and opportunities facing the VC/PE sector in the wake of COVID-19 pandemic. The webinar hosted three key leaders from the sector: H.E. Dr. Nabeel Koshak, CEO of the Saudi Venture Capital Company; Mr. Mohammed Almalki, Vice Governor of Funding at Monsha'at; and Mr. Adel Al-Ateeq, CEO of the Fund of Funds Company (Jada). The session was moderated by Mr. Qusai Alsaif, Senior Portfolio Manager at Riyadh Capital (RTF).

[View webinar's proceedings:](#)



A lawyer's view on the impact of COVID-19 for regional funds.

This online session addressed the legal perspectives on the impact of COVID-19 for regional funds. The session provided a Q&A opportunity for fund managers to have their questions and concerns addressed. The event hosted two professionals in the field: Abdulrahman Hammad, Partner at Hammad and Al-Mehdar and Nabil Issa, partner at King and Spalding. The session was moderated by Faisal Sindi from the association.

[View session's report with Q&A:](#)



How the Crisis of Covid19 Affects Private Equity

In collaboration with the Financial Academy, the association organized a virtual training program titled: "How the Crisis of COVID-19 Affects Private Equity." The program shared tips and tools to navigate through an environment of crisis.

[View program's presentation:](#)

Key Highlights:

- COVID-19 taught us that business models need to be flexible enough to change as consumer behavior may abruptly change.
- To survive, ventures and fund managers must be agile and adapt to whenever shift happens.
- Government support programs and measures could help companies in extending their runway and reallocating spending to finance their working capital
- There are positive trends in the wake of COVID-19 such as the boom in e-commerce and online deliveries.
- Some investors may be keen to make deals now in order to avoid potential future uncertainty.
- MISA is keen to work with foreign investors as global businesses are becoming interested in having a future in Saudi Arabia.
- Valuations may fall, but attenuated as Q2 portfolio NAV will be an indicator of impact of COVID-19 due to the lag effect of Q1.
- The key difference between the crisis of 2008 and 2020 is that policymakers should have a more solid reaction in 2019 due to prior experience.
- GPs who play more "offense" than "defence" could be rewarded.



“The improved ranking is a testament to the robust collaboration by multiple government entities. It also reflects the maturity and resilience of the VC PE industry participants to support the rapid growth of the startup and innovation ecosystem.”

Mr. Mohammed Almalki

*Vice Governor for Funding,
SME Authority (Monsha'at)*

Saudi Arabia Ranks 12th on Availability of Venture Capital for Business

Saudi Arabia ranked 12th on the Venture Capital index in the 2020 IMD World Competitiveness Yearbook (WCY). The WCY ranking divides the national environment into four main factors: economic performance, government efficiency, business efficiency, and infrastructure.

The business efficiency dimension includes multiple sub-factors and criteria that are used to build up the ranking, which include Venture Capital that measures VC availability for business in the economy. Saudi Arabia ranked 24th overall, 19th on business efficiency factor and 12th on the Venture Capital criterion. It is also worth mentioning that “access to financing” was listed as one of the key attractiveness factors in the Saudi economy, in addition to other important factors that include: “dynamism of the economy,” “policy stability,” “predictability” as well as having “reliable infrastructure.”

This signifies the fast-paced growth of the industry in Saudi Arabia, which reflects the collective efforts of key stakeholders in developing a competitive VC and PE ecosystem. Monsha'at has played a major role in creating such a competitive environment that encourages entry of new enterprises to the market and enables small and medium enterprises to grow and expand.

Q2 2020 Key VC Investment Highlights :



Venture Deals Doubled

The number of Q2 2020 deals in Saudi and global startups with the participation of Saudi VC funds has almost doubled as shown in **(figure 1)**. The global startups represent mainly the U.K., U.S., UAE, and Egypt.

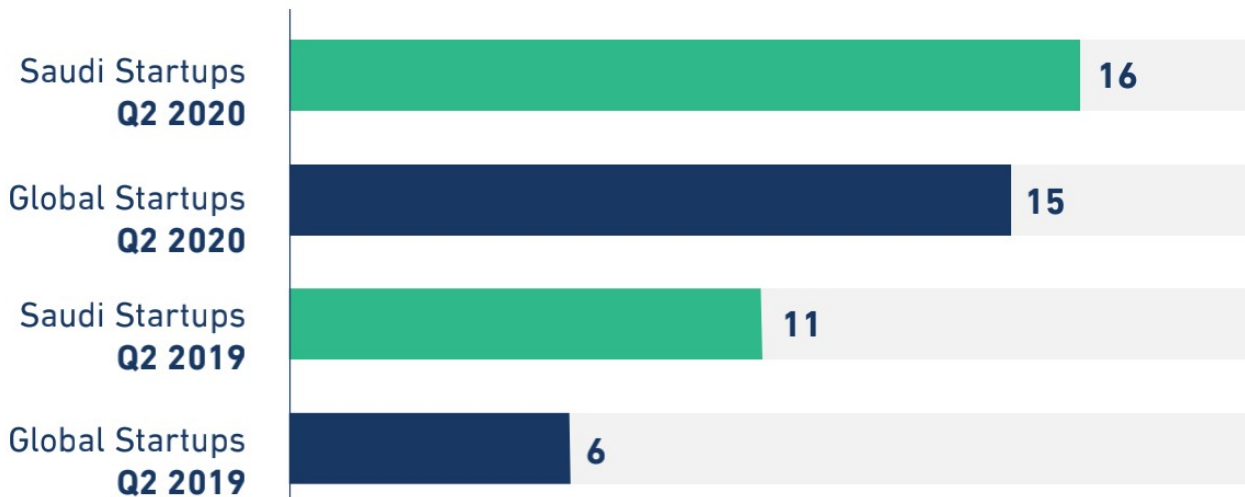


Figure 1- Number of investment deals with the participation of Saudi VC funds in both Saudi and global startups (Q2 2019 vs. Q2 2020)

The overview of the VC investment deals of Q2 2020 compared to Q2 2019 are based on: the investments made by Saudi VCs in Saudi Startups; and investments made by Saudi VCs in global startups. The Saudi VCs are considered as VC funds that are based and operate mainly in Saudi Arabia; however, the entity could be registered abroad. The showcased VC investments in global startups include the participation of at least one Saudi VC. Some of the investment rounds led by VCs include angel investors and other institutional investors.

Volume of Investment in Saudi Startups Quadrupled

The volume of investments in Saudi startups increased from USD 15.1 million in Q2 2019 to USD 66.9 million in Q2 2020. **(figure 2)**. Additionally, the volume of investments in global startups with the participation of Saudi VCs has increased. **(figure 3)**

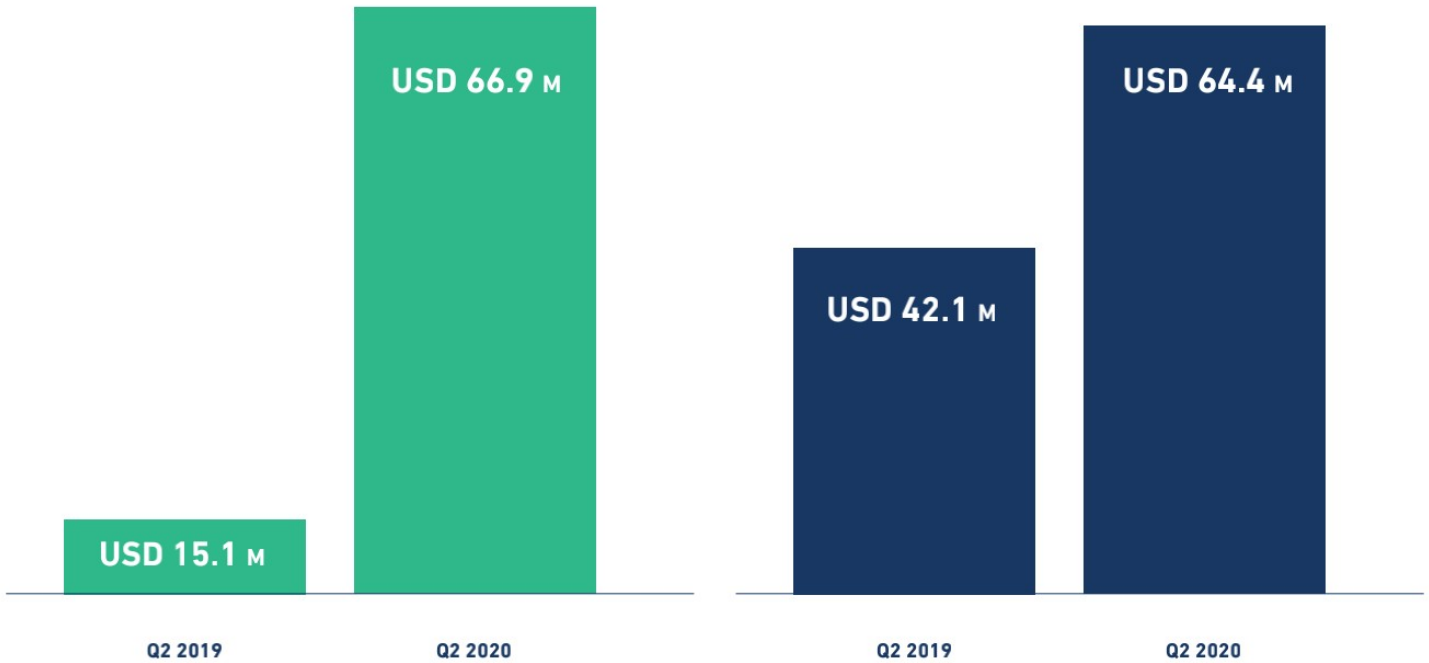


Figure 2 – Volume of VC Investments in Saudi Startups

Figure 3 – Volume of Investment in Global Startups with the Participation of Saudi VCs.

Such an increase in the overall volume of total investments, specifically in Saudi companies, is attributed to the ongoing government support to the sector. This includes the contribution of the commercially-driven developmental funds (SVC and Jada) and the support of Monsha'at. (For details please refer to pages 9 and 10 showing the performance of the aforementioned funds.)

² Four investment amounts were not disclosed in Q2, 2019, and 13 investment amounts were not disclosed in Q2, 2020. However, some of such undisclosed investments were incorporated into the aggregate values.

Investment Focus Remains on Early Stages

Looking at the different stages of investments in (figures 3 and 4) below, despite the increase in the aggregate number of deals and volume of investment in Q2 of 2020, the focus of investments remains on early stage startups. There is a very minor amount of investment in Series B in Q2 of both years. However, with the on-going growth of the industry, Series B investment rounds are expected to rise in the short-term horizon.

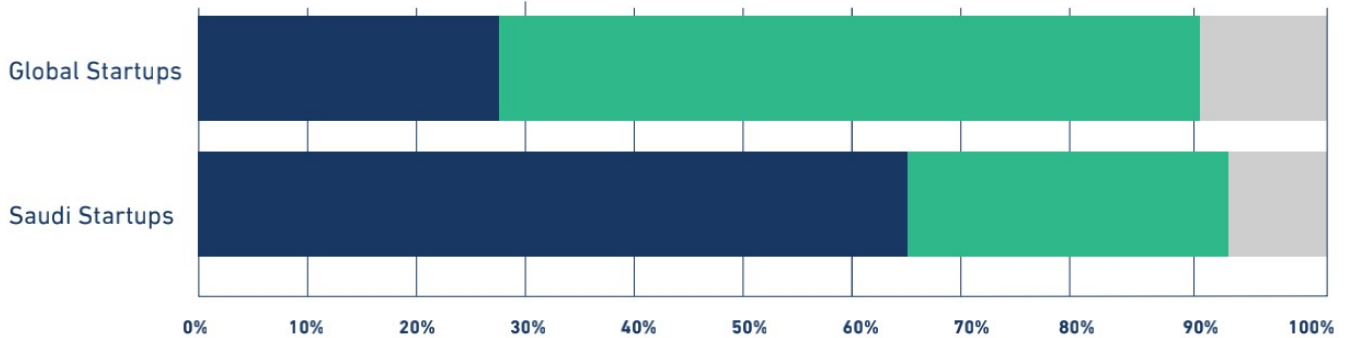


Figure 3 – Number of deals as a percentage by stage – Q2 2020

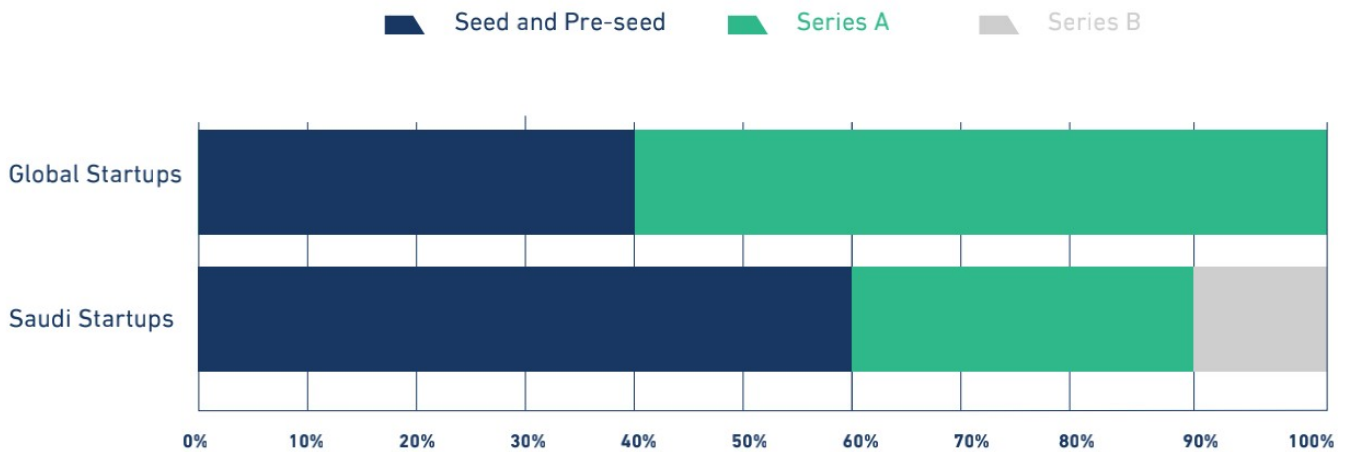


Figure 4 – Number of deals as a percentage by stage – Q2 2019

Although most of the investments remained focused in early stage ventures, as shown in (figure 3), this could have positive effects upstream and hopefully close funding gaps at later stages. This is coupled with the growth of venture capital availability as Saudi Arabia ranked 12th on the Venture Capital index in the 2020 IMD World competitiveness Yearbook (WCY)³.

³ IMD World Competitiveness Yearbook, 2020

Diversification of Investment Focus Increased

Some sectors that received notable amounts of investment in Q2 2020 include: FinTech, EduTech, Healthcare, and Delivery which interestingly coincided with the COVID-19 crisis. The icons in green shows focus areas with more than one deal.



E-commerce



SaaS



Entertainment



Car Rental



FinTech



Delivery



**Home
Maintenance**



EduTech



AgTech



**ICT and
Robotics**



Petroleum



**Event
Management**



Software



**Social
Commerce**



Health Care



Investment



Logistics



CleanTech

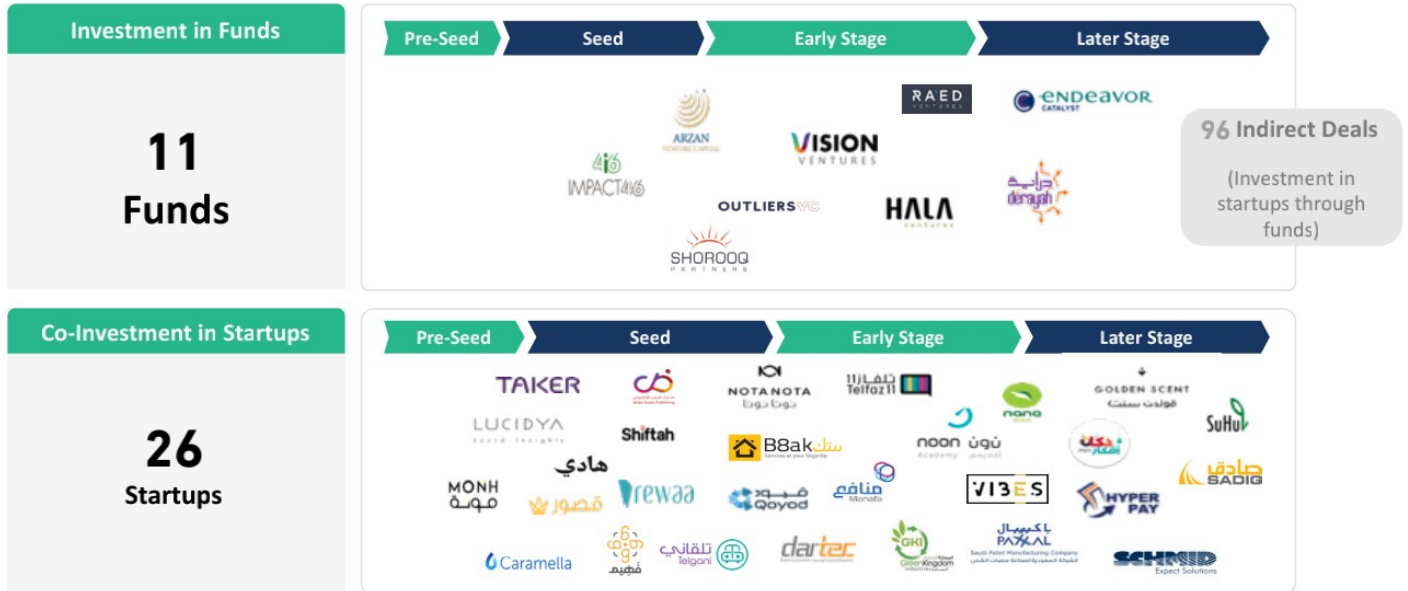


Telecom

Updates on Government Support Funds:

This section reflects some key updates regarding the Saudi Venture Capital Company (SVC) and Jada (PIF's FoF).

Saudi Venture Capital Company (SVC) activities for Q2 2020:



*Follow-on investment in Nana (Direct Co-Investment)



الشركة السعودية للاستثمار الجريء
Saudi Venture Capital Company

About Saudi Venture Capital Company

Saudi Venture Capital Company (SVC) is a Government Venture Capital established in 2018, part of the Private Sector Stimulus Plan (PSSP). This is to minimize current equity funding gaps for startups by investing SAR 2.8 Billion (\$ 750 Million).

Jada activities for Q2 2020:

Jada has invested so far in 8 funds:



EWTP CAPITAL



VISION
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RA'ED
VENTURES

global.ventures



BECO



About Jada:

Jada was created to promote the development of a thriving private equity and venture capital ecosystem, which could in turn finance the growth of small-and-medium enterprises in Saudi Arabia in a sustainable manner. Launched by a resolution of the Council of Ministers, Jada was established by the Public Investment Fund with an investment capital of SAR 4 billion (approximately USD 1 billion). The creation of Jada is a critical component of Saudi Arabia's Vision 2030, the Kingdom's comprehensive economic and social development plan.

Regulatory Progress:

The Capital Market Authority (CMA) published a number of draft amendments for public consultation.

- Draft amendments to Investment Funds Regulations and Real Estate Investment Funds. The Draft Amendments and the prescribed form for providing comments can be viewed via the following link



- Draft amendments to Rules for Special Purposes Entities. The Draft Amendments and the prescribed form for providing comments can be viewed via the following link:

The New Company Law Released for Public Consultation

The Ministry of Commerce and the CMA have recently published the new company law draft documents for public consultation. The new company law is considered to be a key milestone as it covers important developments that will have a positive effect on the VC and PE industry in Saudi. Some of the key objectives of the new law are to: (1) Ease the regulatory requirements; (2) Attract more capital to the economy (3) And incentive SME investments and the further enhance the business environment at large. More details can be found on the following page:



As part of its role in advocating for regulatory enhancements, the Saudi VCPE association has conducted a number of workshops to clarify the above-mentioned amendments and advocate for the critical collective comments and opinions raised by members. Such efforts reflect the effective collaboration between the different government agencies and market participants to further advance the Saudi SME and business landscapes. This comes as part of the on-going initiative to make the Saudi economy attractive to both local and international capital.

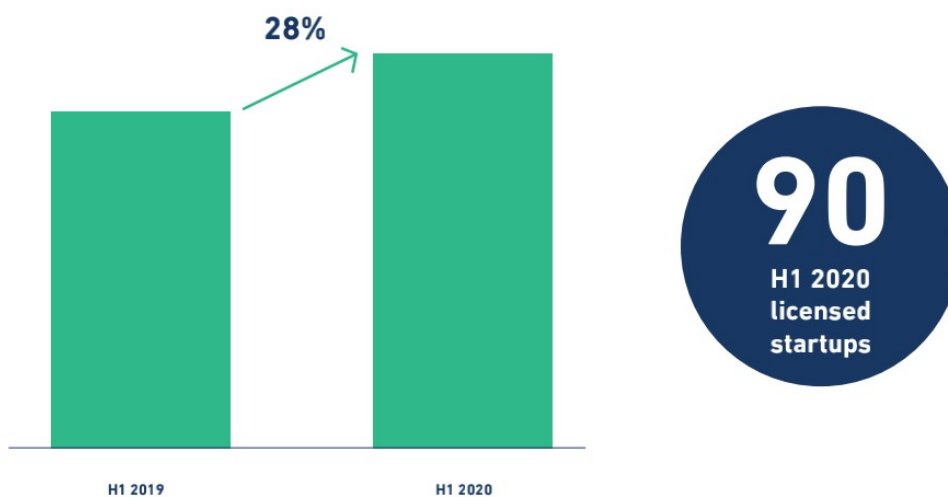
Investment Highlights



وزارة الاستثمار
Ministry of Investment

The number of new foreign startups investing in Saudi Arabia continued to grow in the first half of 2020, as reflection of the positive momentum achieved by the Kingdom's investment environment in 2019.

MISA saw the highest number of new foreign investors in the Entrepreneurship and Innovation Sector, recording a 28% year-to-year increase in H1 2020.



Number of entrepreneurship license (H1 2019 vs. H1 2020)

Snapshot of 2020 investors

tabby*

EWTP Arabia CAPITAL

FLORANOW
THE ONLINE FLORAL MARKETPLACE

Pure
HARVEST
SMART FARMS

FUNDING
SOUQ

VETURE by Invest Saudi Initiative

Since the launch of MISA's initiatives that aim to attract venture capital firms, angel investor groups, accelerators, and their startups to scale and invest in the Kingdom; 63 local, regional and international firms have joined the initiatives.

51

Venture Capital

4

Angel Groups

8

Accelerators

An Introduction to Venture Debt

By Tarek Bilani, M&A and Projects Attorney at Hammad and Al-Mehdar Law Firm.

Venture debt is a form of debt financing that can be used by early and growth stage startups to raise capital. It can be used instead of, or in conjunction with, equity financings. Venture debt is an attractive form of raising capital for startups because it can usually be arranged much more quickly, an important consideration for startups facing a limited runway.

The main difference between venture debt and traditional debt financing is that venture debt is available for companies that lack assets or positive cash flow, or that want greater flexibility in the lending terms. Traditional lenders are often reluctant to finance equipment for startups based on the widely-accepted notion that startups have a high rate of failure. Venture lenders have emerged to fill this gap; such lenders can be individuals, venture capital investment companies or funds, or banks specialized in venture lending.

The market for such lending in the Middle East is still in its infancy, but we envision growth in the sector in the near future.

Venture debt has benefits for both entrepreneurs and investors. Valuation of startups proceeds in a stair-step fashion between financing rounds, meaning that the inclusion of incremental capital from a loan allows startups to achieve greater progress between rounds, increasing the company's valuation ahead of the next equity financing, and helping startups meet their milestones.

Types of Venture Debt:

- Venture term loans
- Lease financing
- Revenue-based investments
- Convertible Notes GPs who play more "offense" than "defence" could be rewarded.

When to USE Venture Debt:

- To purchase equipment during the growth phase;
- After eliminating the concept phase risk and identifying product market fit
- When aiming to reduce founder and investor dilution;
- To avoid exhaustive due diligence, "defence" could be rewarded.

When to AVOID Venture Debt:

- If there exists a significant risk of default. Venture debt lenders can call the loan and force the company to be sold or liquidated.
- When a new raise is imminent. Investors will have to agree to repay the debt or invest below the debt in order of preference

Upcoming Reports

The Saudi VCPE Association is working, in collaboration with the Ministry of Economy and Planning (MEP) and KPMG, to publish two reports that are expected to be released later this year. The reports will cover aspects related to stimulating exits in the Kingdom and look into the core success elements and determinants of the Saudi venture capital and private equity sector. The key objective of these reports is to provide a stepping-stone for policy recommendations to boost this vital sector.

The Role of VC and PE in Saudi Arabia's Economic Diversification and Growth



وزارة الاقتصاد والتخطيط
MINISTRY OF ECONOMY & PLANNING

The association has kicked off a research project (Whitepaper) in collaboration with MEP. The Whitepaper, authored by MEP's Economic Research Unit, looks into the core success elements of the Saudi venture capital and private equity sector. It will present evidence-based opportunities and constraints within the sector. The objective is to provide an avenue for policy recommendations that could further enhance the potential contribution of the sector to the Kingdom's economic growth, diversification and development.

The Whitepaper will also investigate and assess some of the determinants of the innovation ecosystem that have to be further nurtured and cultivated in order for the VC and PE industry to reach its full potential. This includes some government and private-led initiatives encompassing the Kingdom's R&D platforms and its contribution to the innovation ecosystem, human capital, and patent protection, while the regulatory and business structures can either be the barriers or enablers.

To achieve the aforementioned objectives, such initiatives are critical; however, the Whitepaper will appraise some of those initiatives and make some recommendations to improve their viability and enhance their outcomes.

Stimulating Exits in the Saudi VC and PE Ecosystem



The Saudi VCPE Association engaged KPMG as a knowledge partner for the development of a study on improving exits in the VC/PE ecosystem of Saudi Arabia. This thought leadership report takes insights from a range of key stakeholders in the landscape, from VCs and established PE firms, to entrepreneurs, regulators and legal professionals and scholars, gathered through interviews and a workshop that was held earlier this year.

The main theme of this study focuses on the exit stage with the trajectory of a VC-backed company, with the rationale that better exit avenues will channel more capital into the entire investment cycle – from ideation and seed to exit. The report considers the IPO, the strategic buy-out and the sale to a PE fund as the key exits, each with its own characteristics, challenges and opportunities. Aside from the primary research within the Kingdom, the report also explores best practices in four other geographies – US, UK, Singapore and South Korea – all with their own unique trajectories to encourage investments in the startup economy and attract capital and talent into the VC space, building and scaling innovative companies.

The Saudi VCPE Association and KPMG intend to open the dialogue amongst the key stakeholders, and provide a stepping-stone for further discussions, study and engagements about exits in Saudi Arabia, to harness the collective efforts of the VC/PE community to enhance the investment structure in the Kingdom.

The Global VCPE Forum

The Saudi VCPE Association is organizing its 2020 forum online - Global VC PE forum – in partnership with MISA/Invest Saudi and Tech Wadi and Endeavor. The forum aims to bring together the global venture capital and private equity community to address pressing topics and emerging trends in the industry.

Over two days, the forum will include authoritative keynotes, exceptional plenary sessions, up-to-date educational workshops, and meaningful networking. Topics covered will shed light on value creation and investing, especially during a time of shift.

Forum's Topics:

The forum will cover a wide of the spectrum of private equity and venture capital investments including: Some of the tentative topics include:



Upcoming Training Programs

The association is building a partnership with Financial Academy to provide specialized training and development programs in the areas of Venture Capital and Private Equity.

Advanced Workshop in Private Equity – Date: 18-10-2020

The foundation course gives an overview of the private equity cycle from valuation and screening to exit, and touches upon aspects of fund management. The advanced course focuses on the management of the portfolio and exits with respect to the investments; and then goes into an in-depth review of the aspects of a private equity operation. This covers aspects including fund structuring and management, the distribution waterfall and fund modelling, fund reporting, relations with LPs and fundraising.

Private Equity delivered by IE Business School – Date: 28-09-2020

The Private Equity program is aimed at both investors and business owners who wish to enhance the understanding of the various stages of the investment process. Leading professors and industry specialists guide participants from opportunity selection to harvesting returns. With a focus on growth equity and buyouts, participants will learn about how private equity is the driving force behind company acquisitions in the current market. Open to participants from both sides of the investment process, investors and business owners will network while partaking in a unique and sophisticated learning program.

Association's Key activities and Offerings:

- Professional Development
- Policy Advocacy
- Forum and Networking
- Strategic Alliances
- Research and Development
- Raising Awareness

The Saudi VCPE Association embarks on a partnership with CAIA to foster higher-level education and increased professional practices in the alternative investment sector in Saudi Arabia.



The Chartered Alternative Investment Analyst (CAIA) Association, the global leader in alternative investment education, has partnered with the Saudi Venture Capital & Private Equity Association. The partnership intends to foster higher-level education and increased professional practices in the alternative investment sector. Alternative investments has been growing in popularity and attracting more industry professionals. Providing up-to-date educational training programs is of importance to help them become more effective investment professionals, which is essential for the on-going development of the sector as a whole.

Under the terms of this partnership, the Saudi Venture Capital & Private Equity Association will promote the CAIA Charter curriculum and programs among its members, while the CAIA Association will offer preferred conditions to the Saudi Venture Capital & Private Equity Association's Members on their cutting-edge program, the **CAIA (Chartered Alternative Investment Analyst) Charter Program**.

Benefits for the members of Saudi Venture Capital & Private Equity Association's include:

- 10% discount on Level 1 & Level 2 exams (excluding the enrollment fee); all new registrations are eligible for the discount.
- Free webinars on Alternative Investments.
- Co-joint events (virtual and live).

About the CAIA Association.

The CAIA Association is a global professional credentialing body dedicated to creating greater alignment, transparency, and knowledge for all investors, with a specific emphasis on alternative investments. A Member-driven organization representing professionals in more than 95 countries, CAIA Association advocates for the highest ethical standards.

The organization provides unbiased insight on a broad range of investment strategies and industry issues. www.caia.org

New Member Spotlight: Individual Members



DEEMAH AL YAHYA

Deemah Al Yahya, a digital economy expert and innovation catalyst, possesses 18+ years of experience in delivering transformative digital strategies and mega initiatives that bring about fundamental change at both corporate and national level. Throughout her career, Al Yahya has worked in the private and public sectors, advising, designing, and orchestrating key strategic programs and initiatives, including Chief of MiSK Innovation, CEO of the National Digital Transformation Unit (NDU), Chief Innovation Evangelist of Microsoft, and Director of e-Services at the Ministry of Foreign Affairs.

Besides her experience and efforts in building technology and entrepreneurial ecosystems that have affected and empowered more than 2.5M people, Al Yahya has served on a number of boards, including the Saudi Federation for Cybersecurity, Programming and Drones, the World Economic Forum Global Future Council for Digital Economy and Society, the Global Entrepreneurship Network, the B20 Executive Committee; and the Saudi Digital Economy Policy Advisory Committee. Currently, Al Yahya is the founder and CEO of ALMTD Consulting, a specialized company offering advisory services on Digital Innovation strategies, Corporate Venture Building, and Large-scale Conceptualization. She is also the founder and CEO of Women Spark, the 1st Saudi Women's Angel Investment Network, which has trained more than 26K women in the technology industry since its inception in 2013.

Al Yahya completed two Executive Education Programs on Innovation Culture and Strategy at Harvard Business School, along with two Executive Education Programs on Digital Transformation, Business Development, and Financial Acumen at INSEAD. Al Yahya holds a bachelor's degree in Computer Science and Information Systems from King Saud University.

New Member Spotlight: Individual Members



LATEEFA ALWALAAN

Lateefa Alwalaan, is an inventor, and a serial entrepreneur. She started her first company at the age of 16. Holds a BA in Computer Applications from KSU and a Technology management MBA from University of Washington. Lateefa worked in IT at the privet sector before starting Yatooq.

Her passion for Arabic coffee drove her to reinterpret how Arabic coffee drinkers consumed it. She started her first steps in (Yatooq) by manufacturing readymade Arabic coffee blends, and the first automated Arabic coffee machine. Yatooq sold thousands of coffee machines across the GCC countries and the world. She also recently co-founded Aroom a company focused on developing technology for coffee vending machines.

Lateefa also co-found CellA+ in 2012, the Saudi professional women's network, which has about 3000 members. She was president of the network during 2015.

Lateefa received Arabs Women Awards Entrepreneur of the year 2014, and in 2015 she received EY entrepreneur of the year for Saudi Arabia. Forbes magazine listed Lateefa in the Kingdom's most innovative leaders for 2013/2014/2015. More recently, Harvard Business School published a case study about Yatooq in Nov 2018.

Currently, Lateefa is the managing director for Endeavour Saudi, which is part of Endeavor's global network. Being an Endeavour entrepreneur herself since 2014, she is driven by her belief of how endeavor supports high-potential companies can impact local economies positively.

Lateefa has also been appointed as board member to the Riyadh chamber of commerce.

New Member Spotlight: Individual Members



TALA ALJABRI

Tala is a Partner at HOF Capital, a global VC Fund that invests in disruptive early stage tech companies. Founded in 2016, the fund has made investments in 15+ countries across various sectors. Tala is focused on FinTech, Industrial IoT and consumer technology investments globally. She is also responsible for overseeing HOF's operations, including investments, portfolio, and partner management in Saudi Arabia, the UAE and wider MENA region.

Tala was most recently an investor for SoftBank Vision Fund, where she focused on driving investment in Middle East and Africa and on portfolio management. Before that, she held roles in management consulting and financial services including Oliver Wyman and Monitor Group, and served as the Head of Government Strategy & Markets for Dow Chemical in Saudi Arabia. In her spare time, Tala contributes her original writing to such publications as Forbes Magazine, Entrepreneur Magazine, among others. She also holds additional roles as a Board member, strategic advisor and investment committee member of various institutions and angel funds. Tala holds an MBA from The Wharton School of the University of Pennsylvania, a Master's Degree in Public Administration from Harvard University, and a Bachelor's Degree in Finance & Women Studies from McGill University.

New Member Spotlight: Individual Members



MOHAMMED ALMESHEKAH

Mohammed is the Founding Partner of Outliers Venture Capital and a Kauffman Fellow. Prior to founding Outliers he was an investor in a number of companies including Notion, Noon Academy, SandboxVR, and Resolve.

Previously, Mohammed founded and exited his cybersecurity startup and worked as an Engineer at Google and Mozilla. Furthermore, he was an advisor to a number of startups and government organization including being Deputy Minister for Planning and Development at the Ministry of Communication and Information Technology; and Head of Digital Transformation at the Ministry of Justice. He also taught at Purdue University and King Saud University.



RIYADH ALRUWAIS

More than 20 years' experience in the telecom's industry and investment in same sector. Joined STC Ventures Fund in November 2011 as partner to source, evaluate deals in the startups segment, structure the deal, manage the investment and develop & execute exit plan. Prior to that Riyadh worked as portfolio management director for STC Group.

His responsibilities included performing equity valuations, financial analysis, measuring the portfolio risk, diversification and liquidation strategies and measuring the performance of STC's subsidiaries. Riyadh managed the structure of number of investments for STC Group such as structure and launching of STC Ventures Fund, Intigral Company and the establishment of a call center company. Before that Riyadh worked in STC Group as future technology director. In this position Riyadh was responsible for identifying and recommending new technologies to be integrated into STC network. Riyadh has an MBA and also a BSc. in Electrical Engineering from KSU.

New Member Spotlight: Institutional Members

VISION
VENTURES



Vision Ventures is a VC firm "by Entrepreneurs, for Entrepreneurs". The founders of the fund, Kais Al Essa and Haitham BuAisha founded Sahara Net back in 1994 which was the 1st ISP in Saudi Arabia and became one of the largest hosting and cloud services providers in the region. Back in the days of building Sahara Net, they raised two rounds of investment into the company giving the 1st investors a return of 7x on investment within 4 years. Having gone through the experience of raising multiple funding rounds for their company and learning how to build great companies from the ground up, they set themselves to help entrepreneurs achieve their dreams.

Vision Ventures invests in early stage technology startups in the Seed and Series A stages across the MENA region. The fund invested in over 37 leading startups and has been one of the most active funds in the region and the most active VC in Saudi Arabia in 2018, 2019 and in 2020 so far.

شركة الاستثمارات التقنية
Tech Invest Com



Tech Invest Com is a Saudi Closed Joint Stock company that was established in 2005 with committed capital of SAR 1B focusing on technology investments in the MEAN region, especially in GCC countries. We have funded and managed SAR 600M+ in addition to co-matching contributions from our shareholders in multiple deals. We identify opportunities that have growth potential with the goal to maximize shareholder returns while adding value to our investment portfolio companies. We strive to take advantage of, and participate in the evolving business environment and emerging opportunities driven by rapid technology innovation and the Saudi Vision 2030.

New Member Spotlight: Institutional Members



شركة وادي مكة للاستثمار
Ventures | Wadi Makkah Company



Wadi Makkah Ventures Company is the investment arm of Wadi Makkah for technology Company, which is wholly owned by Umm Al-Qura University. The company has three investment portfolios. The first portfolio holds a number of successful startup investments. It was closed in 2017. Three of the fund holdings have managed to secure second rounds of investments. The second portfolio was established on Dec 2018 for the purpose of investing in a seed, and early stage startups “incubated startups”.

The fund holds selected investment from the incubator program. The third one is a series A venture capital fund, which was established on Dec 2018 for the purpose of investing in innovative, and high-tech startups that focuses on areas and technologies dedicated to improving the Hajj and Umrah ecosystem.



**Nusaned
Investment™**

A SABIC initiative to support local investment



Nusaned Investment, a wholly owned subsidiary of SABIC, is an investment company based in Riyadh, Saudi Arabia and has a mandate to increase local content in the Kingdom under Vision 2030. The company prioritizes economic development and strategic benefit for KSA, in addition to supporting and enabling the execution of KSA's National Industrial Strategy (NIS). Further, the company supports localization of mature technologies with established technical partners and pioneers emerging technologies through technology ownership. The company provides direct equity investments and actively leverages SABIC's business, technology, R&D and support capabilities to develop SMEs.

Nusaned Investment has built a healthy pipeline and portfolio since its inception in 2018. The company has already committed to several investments with both local and foreign partners across a diverse set of sectors such as Specialty Chemicals, Renewables and Recycling. The company is actively building its network and positioning in the market through establishment of new strategic relationships and collaboration with local government agencies, and regulatory bodies.

Saudi VCPE Association: Institutional Members



Individual Members

- | | | |
|-----------------------------|---------------------------|---|
| ■ Abdulrahman I. Tarabzouni | ■ Omar A. Almajdouie | ■ Mazin Alshanbari |
| ■ Abullatif Alseif | ■ Dr. Abdulaziz A. Jazzar | ■ Mohammed Saud Alzamel |
| ■ Adel I. Al Ateeq | ■ Dr. Eyad R. Reda | ■ Amr A. Al Jallal |
| ■ Ahmad Al-Sari | ■ Dr. Hani Enaya | ■ Qusai Al-Saif |
| ■ Ahmed Alfozan | ■ Jihad Alammar | ■ Sultan bin Khalid bin Mohammed Alsaud |
| ■ Aiman K. Al-Atiqi | ■ Khalil Al Shafei | ■ Waleed A. Alballaa |
| ■ Alaa Al-Hashem | ■ Mansour S. A-Misfer | ■ Yazeed Al Rubaian |
| ■ Yousef Alyousefi | ■ Lateefa Alwalaan | ■ Tala AlJabri |
| ■ Dr. Mohammed Almeshekah | ■ Riyadh AlRuweis | ■ Deemah Al Yahya |



The aggregate Assets Under Management (AUM) of the funds the Saudi VCPE association's members represent exceeds SAR 12 billion.

SAR 12 billion
Saudi VCPE Association
Members' Aggregate AUM

Reasons Members Joined

- Contribute to the collective efforts to further develop the VC and PE Ecosystem in Saudi Arabia.
- Keep current with industry best practices, insights and trends
- Connect and network with the VC and PE community
- Engage in the ongoing regulatory and industry developments
- Gain more visibility to the wider entrepreneurship ecosystem.
- Identify opportunities and bridge the local ecosystems with international markets.



Saudi VCPE Association's Board



Abdulrahman
I. Tarabzouni



Omar A.
Almajdouie



Dr. Abdulaziz
A. Jazzar



Dr. Eyad R.
Reda



Mansour S.
Al-Misfer



Amr A.
Al Jallal



Adel I.
Al Ateeq



Faris
Alrashed



Aiman K.
Al-Atiqi

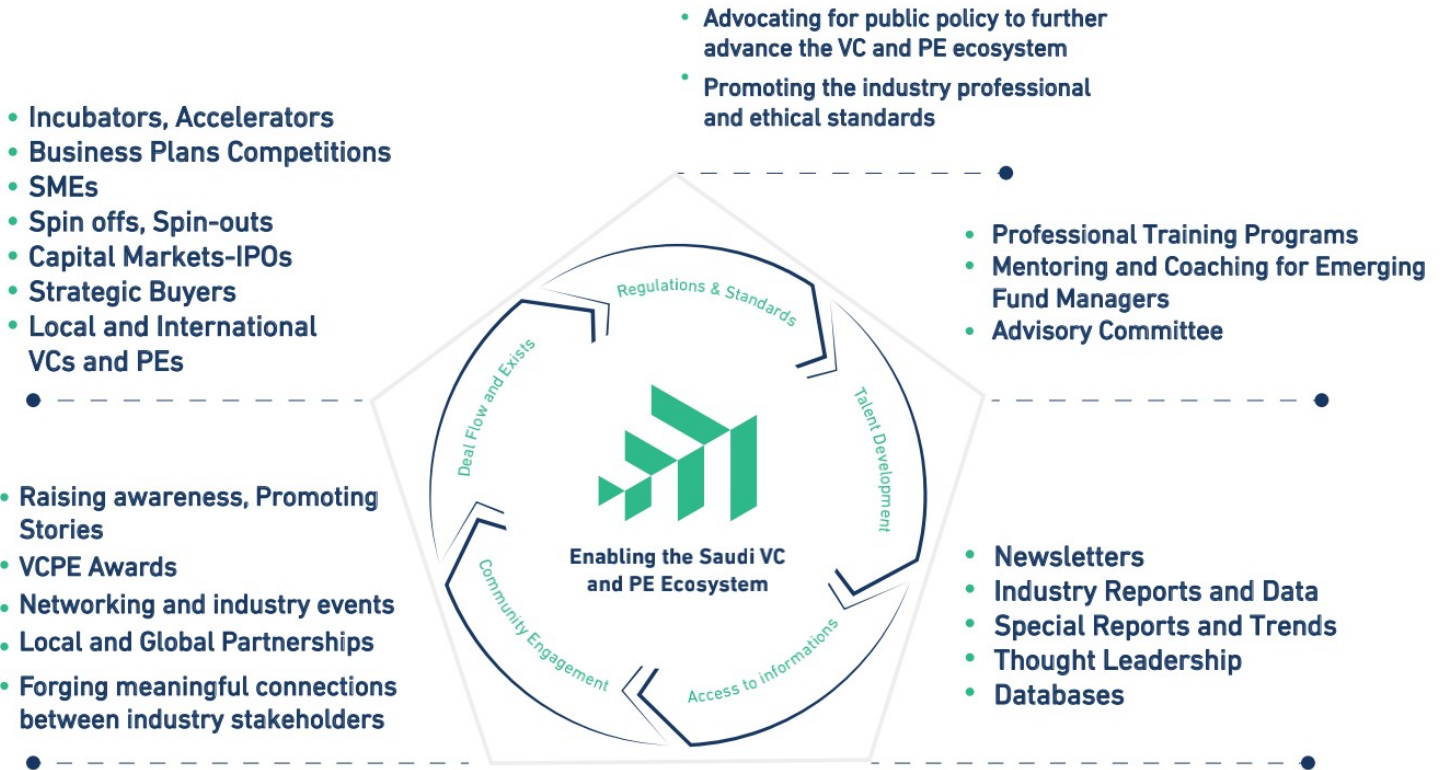


Khalil
Al-Shafei



Suliman
Al-Jabrin

Strategic Overview of the Saudi VCPE Association





Saudi Venture Capital and Private Equity Association is an industry body representing the Kingdom's private equity and venture capital sector. SAVCPEA was created through a resolution made by the Saudi Council of Ministers, and is mandated to develop Saudi Arabia's private equity and venture capital sector, ensuring the highest professional and ethical standards are adhered to. SVCPEA plays a major role in promoting interests and investment in the Saudi private equity and venture capital sector, while also providing key industry data, research and periodic publications. In addition, it organizes industry-related conferences, workshops and trainings, seminars and consultancy services.



Jawlah is the first Arabic website specialized in Venture Capital and Entrepreneurship. Established in Riyadh in mid-2019, the platform was built to help first-time fundraisers and new investors learn about venture capital space by providing a quality content created by the market experts. Its mission includes making venture capital investment easier for entrepreneurs, nudging individual to explore investing in tech startups, and increasing the awareness about VC activities in the region.

Q2, 2020 VC investments in Saudi Startups

Venture	Investor	Amount (USD)	Stage	Focus
Sary	Raed Ventures MSA Capital Derayah Ventures	6.6 million	Series A	e-commerce
Taker	500 Startups SVC	Non-disclosed	Seed	SaaS
Grintafy	Wa'ed Ventures Nafithat Al Mustagbal Investment	1.25 million	Seed	Entertainment
Telgani	500 Startups SVC Impact 46	Non-disclosed	Seed	Automotive
Tamara	Impact 46 Nama Ventures Musaab Hakami	0.80 million	Pre-Seed	FinTech
Jahez	Impact 46	36.53 million	Series A	Delivery
Munjz	Vision Ventures Seed Partners	Non-disclosed	Pre-Series A	Home Maintenance
Syarah	Impact 46	Non-disclosed	Series B	e-commerce
Shgardi	Mad'a Investment Company	Non-disclosed	N/A	Delivery
Noon Academy	STV	13 million	N/A	EduTech
Edama	KAUST	0.78 million	Seed	AgTech
FalconViz	KAUST	0.25 million	Seed	ICT and Robotics
Modus	KAUST	1 million	Seed	Petroleum
PeroLED	KAUST	2 million	Series A	Advanced Materials
Sibawayh	Wadi Makkah Ventures	Non-disclosed	Seed	EduTech
PalmHR	Nama Ventures	Non-disclosed	Seed	SaaS

Some deals include additional undisclosed investors

¹Only VC related activities

Q2, 2020 Investments in Global Startups with the Participation of Saudi-Based VC Funds

Venture	Investor	Amount (USD)	Stage	Focus
Eventtus	Hala Ventures Daal	Non-disclose	N/A	Event Management
360Vuz	Vision Ventures Hala Ventures Shoroq Partners KBW Ventures Media Visions 500 Startups	5.8 million	Series A	Software
Brimore	Vision Ventures Algebra Ventures Disruptech 500 Startups Flat6Labs	3.5 million	Pre-Series A	Social commerce
Wahed	Wa'ed Ventures Rsameel Company BECO Capital Dubai Cultiv8 Cue Ball Capital	25 million	N/A	FinTech
Chefaa	Vision Ventures 500 Startups Womana	Non-disclosed	Pre-series A	HealthTech
Trella	Vision Ventures	Non-disclosed	Series A	Logistics
Wethaq Capital	Vision Ventures	Non-disclosed	N/A	FinTech
Tabby	Raed Ventures MSA Capital Arbor Ventures	7 million	Pre-Series A	FinTech
Pavegen	Wadi Makkah Ventures	Non-disclosed	Series A	CleanTech
Tamrii	Nama Ventures	Non-disclosed	Seed	Telecom
Flora Now	Nama Ventures	Non-disclosed	Pre-Series B	e-commerce
Breezeful	Nama Ventures	Non-disclosed	Seed	FinTech
Tajir	Nama Ventures	Non-disclosed	Seed	e-commerce
Basket	Nama Ventures	Non-disclosed	Pre-Series A	e-commerce
Calo	Nama Ventures	Non-disclosed	Pre-seed	Nutrition

■ Saudi VC Funds



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