



2020 was a record-breaking year for investor activity in the MENA startup ecosystem, according to MAGNiTT

22 FEB, DUBAI – [MAGNiTT](#), the startup data platform for Emerging Venture Markets, released the [2021 MENA Venture Investor Ranking Report](#) today, which deep dives into the activity of investment institutions that financed MENA-based startups in 2020. The report provides a comprehensive ranking of venture capital investors in the MENA region and explores the shifts in investor focus driven by COVID-19.

As per MAGNiTT's findings, despite the pandemic, investor sentiment was positive with a record high of **256** active investors deploying a total of **\$1BN** in venture capital in MENA last year.

The key highlights in MENA investor behaviour, according to MAGNiTT's data:

- **International VCs active in MENA.** **25%** of all investors were based outside of the region, with **11%** headquartered in the US and **7%** in the European Economic Area;
- **KSA approached UAE in number of registered investors:** With **19%** (almost every fifth) of active investment firms in MENA headquartered in Saudi Arabia, the country ranked second after the UAE, which hosted **22%** of all active institutional investors in the region in 2020;
- **Accelerators' activity in decline:** Accelerators accounted for only **10%** of all active investors in MENA across all countries, a **28%** drop from 2019;
- **Shifts in industry focus:** FinTech was the most popular sector, ranking **1st** with **63** firms investing specifically in mobile and online payment solutions.

"Despite COVID-19, we saw continued interest from international investors and new funds investing in MENA based startups. As the ecosystem continues to mature, and as MAGNiTT further expands into Emerging Venture Markets, we expect to see increased cross pollination across markets like Turkey and Pakistan, as well as increased international interest in the MENA region," Philip Bahoshy, MAGNiTT Founder and CEO, explains.

According to MAGNiTT's 2021 Investor Ranking, 500 Startups, a US firm investing in the region via its Bahrain-based 500 Falcons fund, topped the ranking as the most active investor in MENA-based startups in 2020. The fund participated in **42** deals across various industries in the region, including E-Commerce fulfillment startup Salasa's \$8.6M Series A round and FinTech NowPay's \$2.1M Seed funding.

Bedy Yang, Managing Partner at 500 Startups commented, "MENA is starting to get the attention it deserves. Since 500 Startups began investing in the region nearly 10 years ago, we've seen an increase in the quality and quantity of deals, as well as a maturing of the ecosystem. The region is at an inflection point, and we're very excited about the progress."



Saudi Arabia's OQAL Angel Investors ranked as the **second** most active investor of startups in the MENA region. Ranging from car rental platform Telgani's Seed investment and Healthtech Okadoc's \$10M Series A round, OQAL invested in **19** deals across MENA.

Faris AlRashed, Founder and Chairman of OQAL Angel Investors Network said, "2020 had a noticeable impact on founders' and investors' behaviors. We have witnessed an increased number of newly formed startups in strong founder markets and a larger window of opportunity being presented to MENA investors, with growth startups securing funds amidst the pandemic. The MENA market evolution has attracted international investors, with more funds investing and participating, especially at growth stage financing."

The data underpinning the report is reflected on the MAGNiTT platform. You can find a full list of all MENA investors included in this report on [MAGNiTT's Directories](#).

The [2021 MENA Venture Investor Ranking Report](#), which ranks top active investors in 2020 across funding stages and sectors, providing a holistic picture of the activity of the investment community, is available to purchase.

About MAGNiTT

MAGNiTT is the first startup data platform serving founders and investors across emerging venture markets. Driven by the belief that data is the foundation of thriving entrepreneurship ecosystems, and that scale should not be constrained by a lack of information, MAGNiTT supports founders and investors with data that underpins decisions that drive expansions, investments, and exits across emerging venture markets in MENA, South Asia, and Sub-Saharan Africa.

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