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Responding to founders' demand for alternative sources of capital, Shorooq Partners officially announces the launch of MENA's first dedicated venture debt fund.

(Abu Dhabi, UAE) Today, Shorooq Partners officially announced the launch of Nahda Fund I (the "Fund"), MENA's first dedicated venture debt fund and the inaugural instalment of the firm's venture debt platform Nahda Fund series.

A complement to traditional venture equity financing, venture debt provides founders with a non-dilutive means of financing that requires little to no equity stakes to raise funds. A long-standing form of venture investment in the US and Europe, venture debt has recently seen a surge in emerging markets such as India, China and Southeast Asia but has yet to be properly utilized in MENA. Shorooq Partners has long sought to remedy this by bringing venture debt to the region—a vision realized by Nahda Fund I.

Launched in June this year, the Fund has already committed a majority of its capital including its investment into Pure Harvest, an agtech company revolutionizing the region's agriculture with climate-controlled smart farms. The overwhelming amount of interest shown by founders toward the fund proves venture debt has been a long time in coming to the region. "Once a startup reaches a certain stage, it becomes very expensive to solely rely on equity financing for continued growth," explains Samir Yamani, Shorooq's Partner leading the venture debt practice, "with a relatively stable cashflow, utilizing debt for routine expenditures such as working capital leads to a more optimal capital structure."

Founders are not the only ones who have shown interest, however. Since launching Nahda Fund I, Shorooq hit the fund's initial fundraising target in just four short weeks and has now raised the Fund's full harcap, a testament to investors' demand for this particular asset class. Furthermore, over half of the Fund's subscriptions come from international investors outside of MENA. "One of Shorooq's longstanding commitment has been to connect our region with the rest of the world," stated Shane Shin Shorooq's Founding Partner, "we are humbled by the international interest toward MENA's venture ecosystem and will dedicate ourselves to continue building the bridge connecting global investors with the best startups in the region."

A key partner in Shorooq's commitment to building such a bridge is IMM Investment, one of Korea's top PE/VC house with over \$5bn in AUM. The Fund was established in concert with IMM Investment Global, an arm of IMM Investment in Hong Kong dedicated to overseas investments, who brings two decades of investment management experience to the region. "Nahda Fund I represents a pioneering attempt by both our firms in many aspects. This is IMM's first foray into the Middle East and we are proud to have partnered with Shorooq to provide our investor base the chance to connect with top-tier opportunities outside of Korea" said Youngjoon Lee CEO of IMM Investment Global.

About Shorooq Partners

A leading early-stage venture capital firm investing across MENAP, Shorooq is one of region's premier venture investors, many of whose portfolio companies such as Pure Harvest, Sarwa, Lean, TruKker, Capiter and Retailo have gone on to represent the region. The firm has been recognized by multiple media outlets including Forbes, Arabian Business and International Business Magazine for its achievements in, and contribution to, the MENAP VC community. Shorooq is headquartered in Abu Dhabi, UAE with five satellite offices across four countries.

For press inquiries please reach out to hello@shorooq.ae

About IMM Investment

IMM Investment is one of Korea's most recognized and trusted GP brands managing \$5bn across private equity and VC investments. Established in 1999 in Seoul, Korea, IMM has since grown to a firm of 75 dedicated investment professionals with four offices across three countries. The firm has been recognized for its achievements by several financial and technological institutions in Korea including the Financial Services Commission, Korea Teachers' Credit Union and the Ministry of Science and ICT.

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