Venture Capital investments in Saudi Arabia up 270% during 2021, to a record-high of SAR 2.055 B


Dr. Nabeel Koshak, CEO of Saudi Venture Capital Company

SVC Co

RIYADH, SAUDI ARABIA, January 19, 2022 /EINPresswire.com/ -- The “2021 Saudi Arabia Venture Capital Report” revealed that the funding deployed into Saudi Arabian startups grew by 270% to a record-high of SAR 2.055 B ($548M) in 2021 versus 2020, while the number of VC deals rose by 54% year-over-year, to a new high of 139 deals.

Although 2020 was a positive year for venture funding in the Kingdom, 2021 witnessed greater VC deployment, setting new records in the amount of VC funding and number of deals, according to the report published by the venture data platform, MAGNiTT, and sponsored by the Saudi Venture Capital Company (SVC).

Saudi Arabia overtook Egypt to rank second by funding in MENA, accounting for 21% of the total VC deployed in the region, up from 15% in 2020. The growth in funding in Saudi Arabia between 2020 and 2021 was the largest noted amongst the three most active MENA countries.

A record-high 76 investors participated in deals closed by Saudi startups in 2021, up 52% versus 2020. Fintech led deal activity while E-commerce startups raised the most capital in Saudi Arabia in 2021. While Fintech startups accounted for 19% of all transactions registered in

Saudi Arabia in 2021, E-commerce startups accounted for 31% of capital deployed in the country in the year.

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"The Kingdom of Saudi Arabia is witnessing an unprecedented growth in the quality and quantity in the deal flow of startups," says Dr. Nabeel Koshak, CEO of SVC. "This is a result of the emergence of many innovative entrepreneurs, VCs, and angel investor groups, in addition to the availability of an advanced regulatory and legislative environment backed by effective government programs."

He further elaborates, "SVC launched earlier this year the "Investment in Accelerator and Startup Studio Funds" product, as part of the "Investment in Fund" Program, to enhance the deal flow creation of high-growth startups. We also launched the "Investment in Venture Debt Funds" product. The new products are driven by SVC's mandate and its continuous pursuit to minimize financing gaps for startups."

Saudi Venture Capital Company (SVC) is a Government VC established in 2018 by Monshaat as part of the Financial Sector Development Program (FSDP) to stimulate venture investments by investing SAR 2.8 billion ($750 Million).

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