

MAGNiTT | SVC

10 YEARS Saudi Arabia Founders Report

Insights from the 200 most funded Saudi-based startups between 2014-2023

MAGNiTT report, sponsored by **SVC**



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01 Executive Summary

Foreword

HE Dr. Nabeel Koshak
CEO and Board Member,
SVC



At SVC, we have witnessed the remarkable growth and dynamism of the Saudi startup landscape. The Kingdom's strategic initiatives, driven by the Saudi Vision 2030, have laid a solid foundation for innovation, entrepreneurship, and investment. As a result, we have seen a surge in startup activity, with a growing number of ambitious founders seizing opportunities and driving innovation across various sectors.

This report provides deep insights into the founders who have managed to raise venture capital over the last ten years in the Kingdom. It deep dives into the founders' backgrounds, experiences, and expertise, benchmarking them against global trends. The goal of the report is to provide policymakers, government officials, and investors with insights and data to inform strategic decisions and policies to further nurture the startup ecosystem for the next ten years. With the Kingdom's supportive ecosystem and innovative talent pool, we anticipate the emergence of more unicorns, underscoring the tremendous growth opportunities available to local and international investors.

SVC has always been at the forefront of supporting entrepreneurship and innovation in Saudi Arabia. Our initiatives and investment programs have played a pivotal role in driving the growth of the private capital ecosystem. We remain committed to providing continued support and driving impactful investments that propel Saudi startups and entrepreneurs to new heights of success.

Foreword

Philip Bahoshy
CEO and Founder,
MAGNiTT



MAGNiTT initially published a report on founders in the MENA VC ecosystem in 2018, focusing on uncovering the DNA of successful entrepreneurs in the region. Today, in partnership with the Saudi Venture Capital company (SVC), we present a comprehensive report on the founders of the top 200 funded startups in the Kingdom over the last ten years.

Data, insights, and analysis are core to MAGNiTT's missions. Our goal has always been to foster data transparency, and this report is a testament to that mission. By shedding light on founders' experiences in the Saudi ecosystem, we aim to dispel myths around founders, empower aspiring entrepreneurs looking to establish their ventures in the Kingdom, guide government decision-makers in shaping policies conducive to innovation, and provide invaluable intelligence to investors seeking opportunities in the region.

Having walked the entrepreneurial path myself, I understand firsthand the trials and triumphs of building a company from the ground up. It's a journey marked by resilience, determination, and a relentless pursuit of excellence. I hope this report provides guidance and inspiration for founders navigating their entrepreneurial endeavors in Saudi Arabia for the next decade of its evolution.

I am grateful to SVC for collaborating with us on another insightful report. Together, we continue to drive positive change, foster innovation, and support the growth of the startup ecosystem in the region.

Founder Quotes

Abdulmajeed Alsukhan

Founder and CEO,
Tamara



Ahmed Hamdan

Co-Founder and CEO,
Unifonic



When I started my entrepreneurial journey in 2016, the Saudi startup ecosystem was virtually non-existent. Securing investors or assembling a team seemed nearly impossible due to the prevailing aversion to risk. Creating disruptive ventures necessitates a leap of faith and a cultural environment lacking at the time. Fast forward to today, and the Saudi ecosystem stands as a beacon of envy for its transformation. We now inhabit a country that champions risk-taking and honors entrepreneurs, paving the way with numerous initiatives to foster their success. One such exemplary initiative is SVC, which has had a profound impact on the ecosystem. Another standout initiative is the Saudi Central Bank Sandbox environment. These initiatives, among others, have propelled the Saudi ecosystem into a vibrant innovation hub and nurtured the growth of world-class companies like Tamara and countless others.

In 2006, we launched the 'Resalaty' website to address limited mobile internet and social media access in the Middle East. Despite initial challenges, our platform gained prominence, and we rebranded as Unifonic. Now, as a cloud-based B2B customer engagement platform, we offer SMS and business messaging apps, voice, and chatbot solutions powered by conversational AI. The government of KSA offers unwavering support to foster the growth of start-ups through initiatives and programs like the Saudi Unicorns Program. The investment climate in Saudi Arabia is constantly improving. The launch of Saudi Vision 2030 has strongly emphasized empowering entrepreneurs. As a Saudi-based business, Unifonic is committed to supporting Vision 2030 and advancing digital innovation in Saudi Arabia and the Middle East.

Founder Quotes

Ahmad AlZaini

Co-Founder and CEO,
Foodics



Our mission to enable restaurants to become resilient, grow, and delight their customers has been significantly accelerated by the digital transformation initiatives under Saudi Vision 2030. This mandate has facilitated the broader acceptance of new tech within the kingdom and opened a door of opportunities to every entrepreneur across sectors. From a local startup based in Khobar to the largest restaurant-tech provider in the Middle East, serving over 30,000 restaurants globally, our growth has been supported by the government's commitment to enabling entrepreneurs and fostering a supportive investment climate.

Abdulaziz B. Al Loughani

Chairman & CEO,
Floward



In recent years, the Saudi government has embarked on an ambitious journey to revolutionize the startup landscape, demonstrating a profound commitment to innovation and entrepreneurship. Through a myriad of initiatives, they have laid a robust foundation and community for startups like Floward to flourish. These concerted efforts align with the Kingdom's Vision 2030. The Saudi government's role has been pivotal in our journey, providing us with the necessary tools to effectively navigate the complexities of the entrepreneurial world and leverage emerging opportunities in a rapidly evolving market. We are immensely grateful for the unwavering support from the government, which has fueled our growth and also solidified our commitment to contributing to Saudi Arabia's economic diversification and technological progress.

Founder Quotes

Hosam Arab

Co-Founder and CEO,
Tabby



Embarking on our journey with Tabby in Saudi has been an inspiring experience filled with growth and opportunity. Despite the multitude of expected challenges of building a fintech startup in a heavily regulated space, Tabby's resilience and innovation have flourished, fueled by the supportive initiatives from the government. Notably, the streamlined processes and supportive regulations have facilitated our establishment and deepening presence in Saudi Arabia. Saudi Arabia's ecosystem holds immense promise, with positive stories in fintech paving the way for others. The Saudi VC ecosystem has helped us build strategic partnerships while staying agile in order to navigate the dynamic market landscape. We're proud of Tabby's achievements and optimistic about the future of entrepreneurship in Saudi Arabia.

Gaurav Biswas

Founder and CEO,
TruKker



Launching in KSA in 2018, TruKker quickly became part of Saudi Arabia's exciting startup growth ecosystem, supported by visionary initiatives of SAGIA and more recently the Saudi Unicorn program. Our expansion into 10 countries echoes the Kingdom's 2030 Vision, showcasing our commitment to innovating in logistics and contributing to the nation's vast infrastructure projects. We are proud of being part of the Saudi Made program taking the brand global. As TruKker thrives, we remain aligned with Saudi Arabia's transformative goals, driving economic diversification and technological advancement.

What is the objective of the report?

The 2023 Inaugural Saudi Arabia Founders report, in collaboration with MAGNiTT and sponsored by SVC, marks a significant milestone in our efforts to provide comprehensive insights into the entrepreneurial landscape.

This report aims to drive informed decision making and foster a thriving ecosystem for entrepreneurship by analyzing the overall backgrounds of the founders of Venture Capital backed startups in the kingdom through data and insights.

How the report aims to support you?

Benchmark against global data

Identify trends in founder demographics, such as age, gender, and educational background, and where available benchmark against global and regional trends.

Policy tool for government decision makers

Evaluate the health of the startup ecosystem by understanding the number, variety, and success stories of founders, aiding government entities in shaping supportive policies.

Identify key founder criteria to support investment decisions

Insights into the backgrounds, experiences, and expertise of founders, to support investors in analyzing trends and support decision making.

Founders Report

Methodology

Data: Statistics used in this report are based on the analysis of the founders of Saudi Arabia's 200 most funded startups over the last 10 years.

HQ: The startups featured in this report were based in Saudi Arabia at the time of their investment round. They include companies that may have originally operated from a different location but relocated their headquarters to the Kingdom prior to their investment round.

Date range: The date range of the companies are those that received investment over the last 10 years (2014-2023).

Investment: Startups selected have a minimum of a SEED round of investment.

Executive Summary

Key Stats



200

Most Funded Startups



400

Founders



\$3.3Bn

Aggregated Funding



3

Exited Startups



\$1.2M

Minimum Funding
Raised



2

Median Founding
Team Size

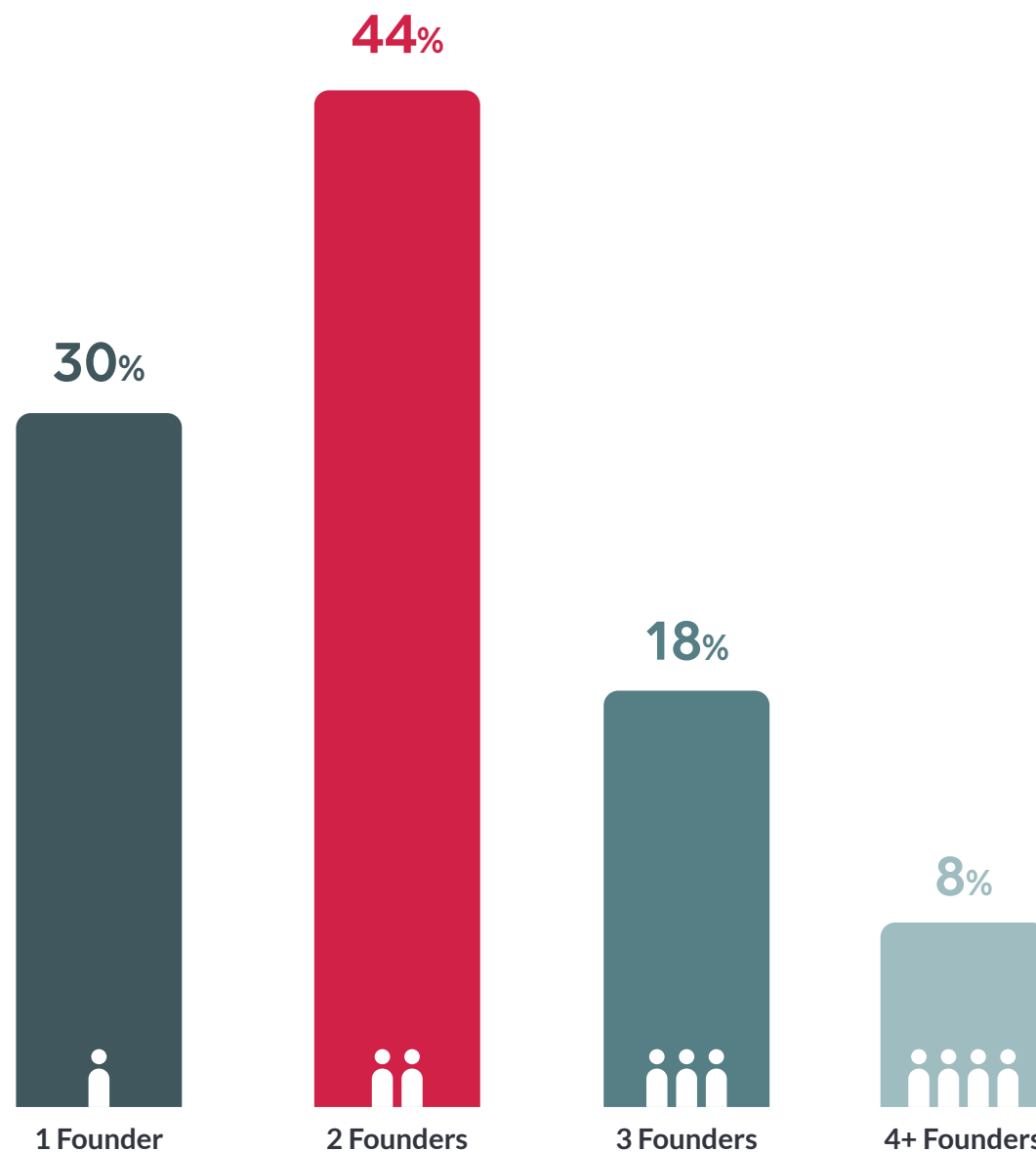
02 Founder Demographics

What is the founder breakdown of the 200 most funded VC backed startups in Saudi Arabia?

Close to 50% of all funded startups in Saudi Arabia were founded with two members. Reflecting on the international benchmarks, Ali Tamasab noted a similar trends in the global unicorns with over 35%* of startups having two founders.

Interestingly, 30% were solo founders in Saudi Arabia, where as, 20%* of global unicorn startups have had a solo founder.

**Land of the "Super Founders" - Ali Tamaseb*



Data: Breakdown of the 200 most funded KSA startups by number of founders

What is the funding distribution among Saudi startups categorized by the number of founders?

Startups with two founders dominated the landscape, representing 44% of KSA's funded startups and securing 53% of total funding.

Single-founder startups represented 30% of funded startups, with their share of total funding accounting for only 15%.

30%
1 Founder



44%
2 Founders



18%
3 Founders



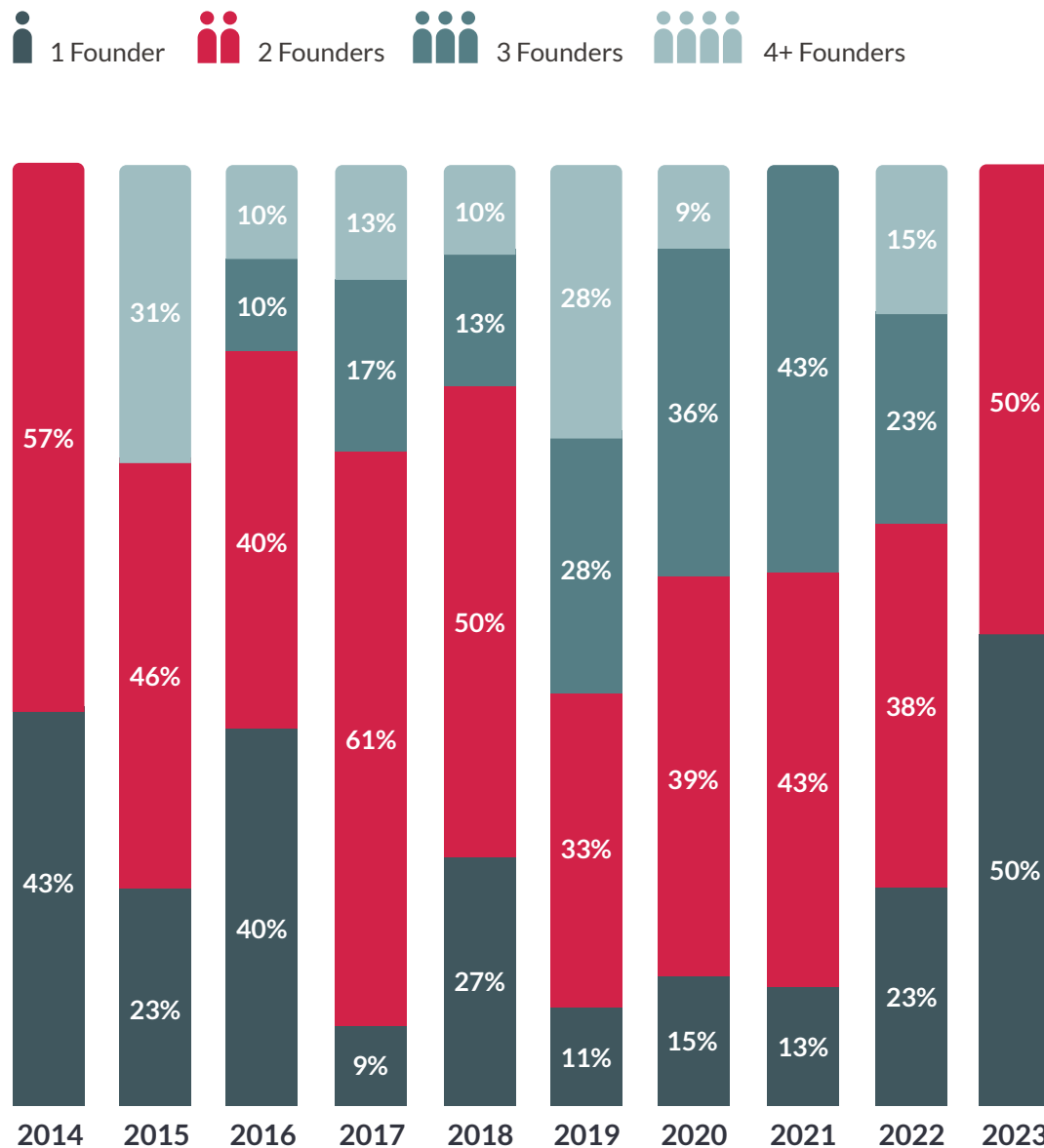
8%
4+ Founders



How has the breakdown of KSA founding teams changed since 2014 of funded startups?

On average two-founder teams accounted for 50% of all funded startups by year founded over the last 10 years.

The proportion of startups with 3 or more founders increased from an average of 21% in the initial five years to an average of 36% in the subsequent five years.



What is the gender breakdown of the 400 founders of Saudi's 200 most funded startups?

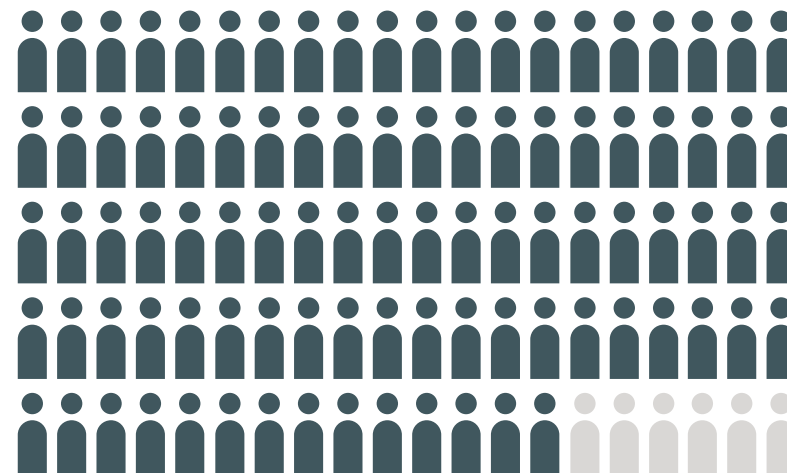
Data showed that male founders dominated the VC landscape making up 94% of the total share while female founders were only 6%.

The gender gap here is steeper than global norms. According to a research* conducted between 2016 and 2022, overall average of female founders in an ecosystem was 15%.

*Only 15% of Tech Startup Founders Are Female - Startup Genome

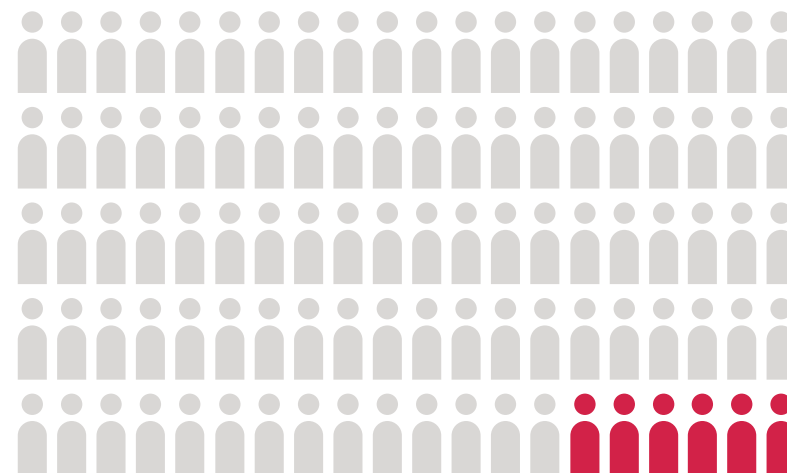
94%

Male Founders



6%

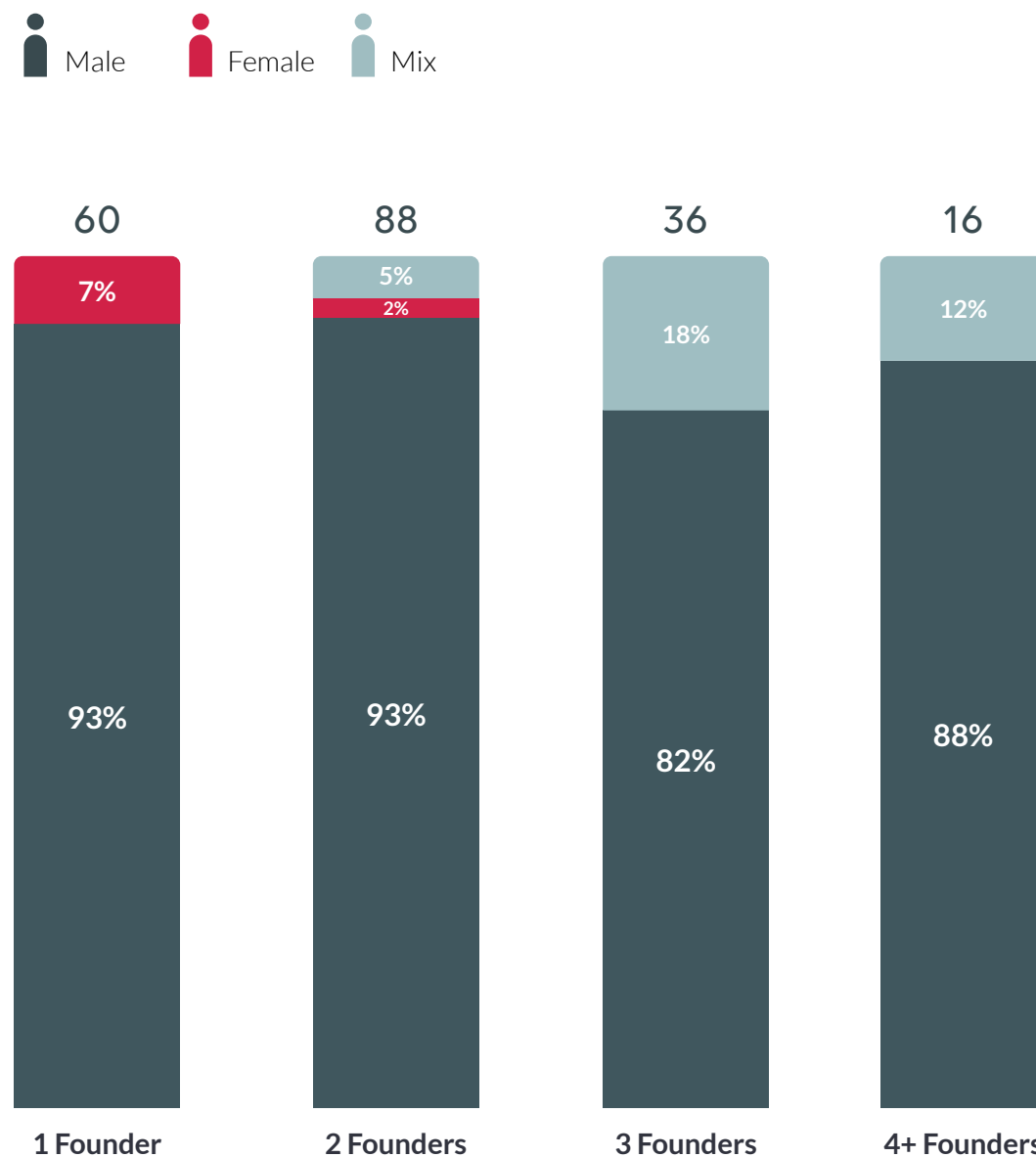
Female Founders



How has the gender dynamic changed by number of founders in Saudi Arabia?

7% of solo founders were female and no startups with 2+ founders were exclusively female-led.

As the number of founders increased, the diversity also increased slightly. In startups with three founders, 18% were mixed gender, and in startups with four or more founders, the number stood at 12%.



How much funding was raised by founding teams by gender mix?

91% of male-only founded startups claimed 98% of total funding. Conversely, 3% of female only founded startups accounted for 0.4% of the total funding.

Mixed founders performed slightly better. In the US, mixed-founder teams secured 20.7%* of total capital in 2023 vs 5% in Saudi Arabia.

*3 takeaways from VC funding for female founders - Pitchbook

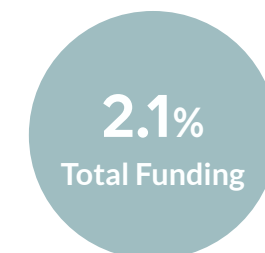
91%

Male Only
Founded Startups



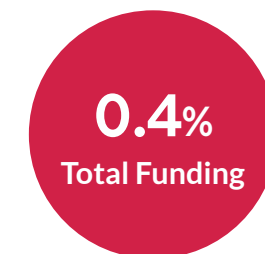
6%

Mixed Team
Founded Startups



3%

Female Only
Founded Startups



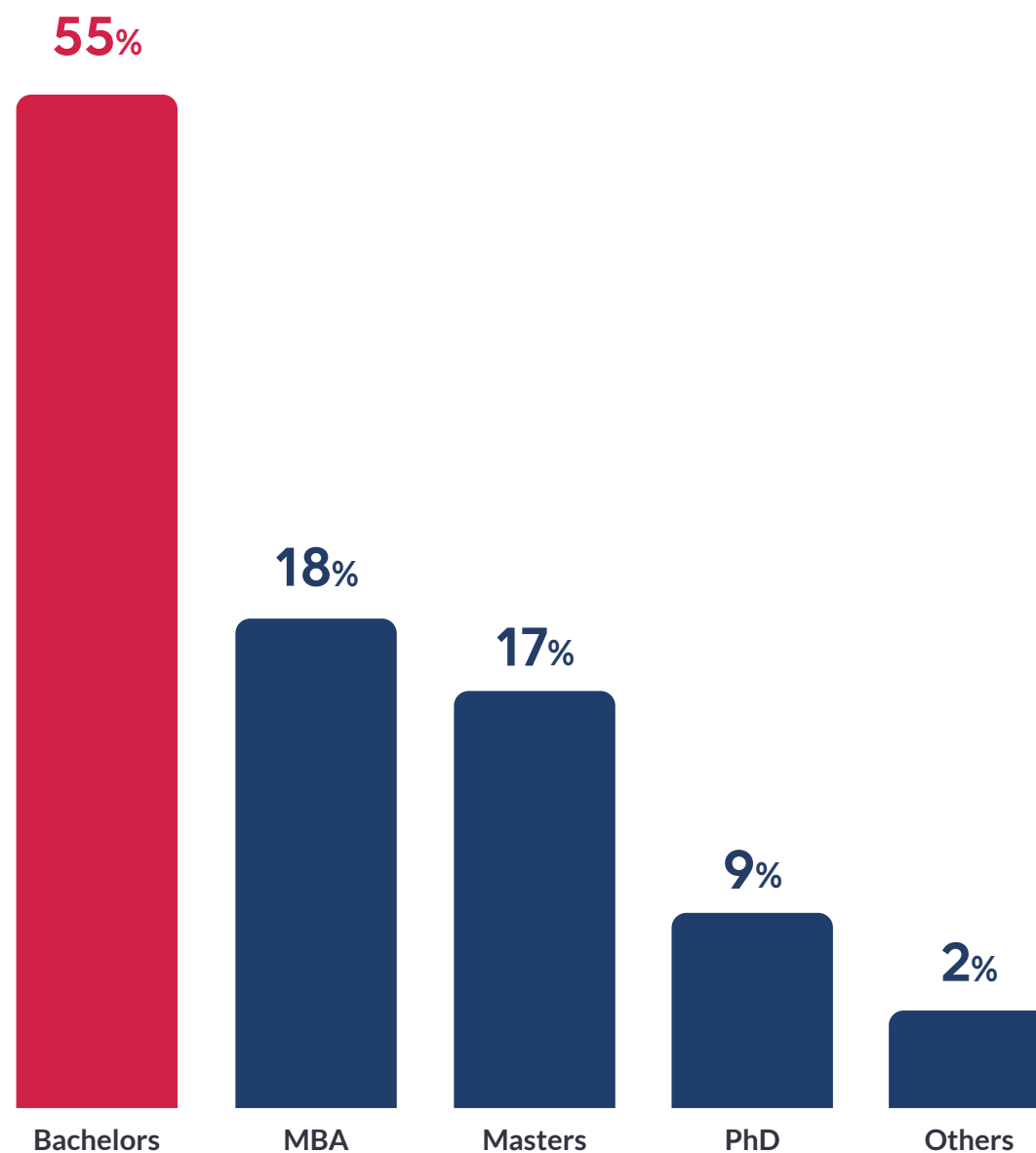
03 Founder Education

What was the highest level of education of the 400 founders of Saudi's most funded startups?

55% of the analyzed founders in KSA had attained at least a bachelor's degree.

According to a research* conducted by Stanford, 21% of founders for USA unicorns had a master's degree (other than MBA) while 38% had a bachelor's degree.

**Ilya Strebulaev, VC Initiative, Stanford Graduate School of Business*



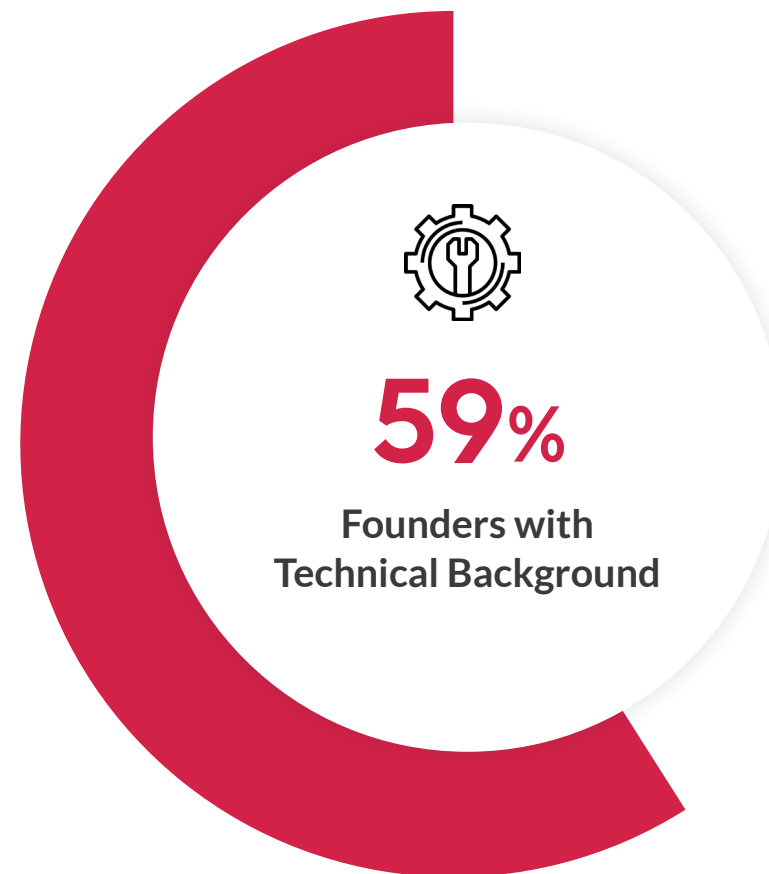
Data: Breakdown of the 400 founders by degree type

What percentage of the 400 founders in Saudi Arabia had a technical education background?

59% of KSA founders had technical education backgrounds, highlighting STEM expertise. This trend is reflected globally, with 70%* of founder teams holding STEM degrees.

Computer Science, Engineering, and Physical Science have been characterized as Technical degrees for this report.

**Unicorn Founder DNA Report - Defiance Capital*

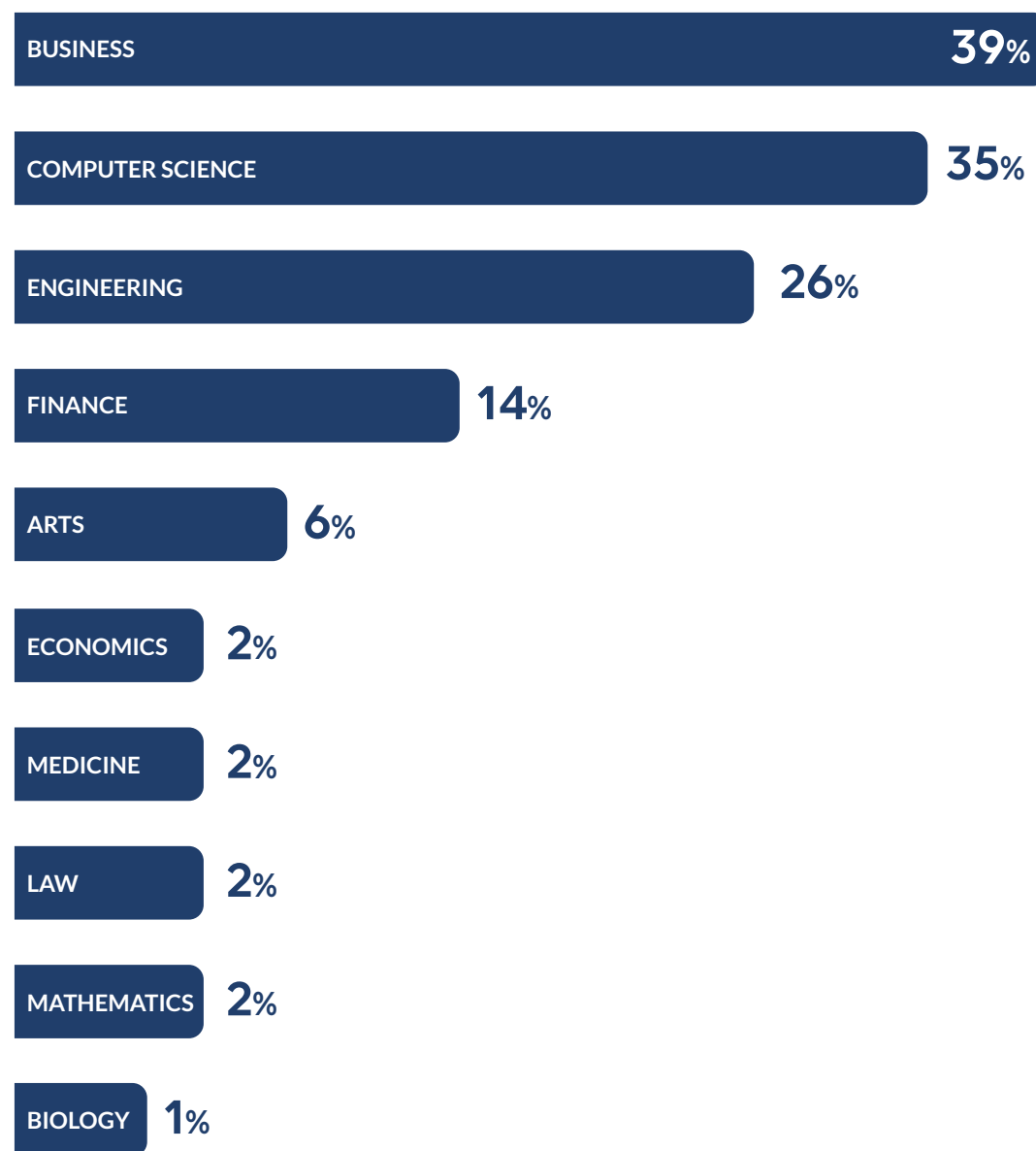


Top 10 Degrees of Founders of the Most Funded Saudi Startups

39% of founders held degrees in business, contrasting with the global average of 19% reported by an Endeavor Insight study*.

Interestingly, 61%* of the top global unicorn founders studied science or engineering which is the same percentage as founders in Saudi Arabia.

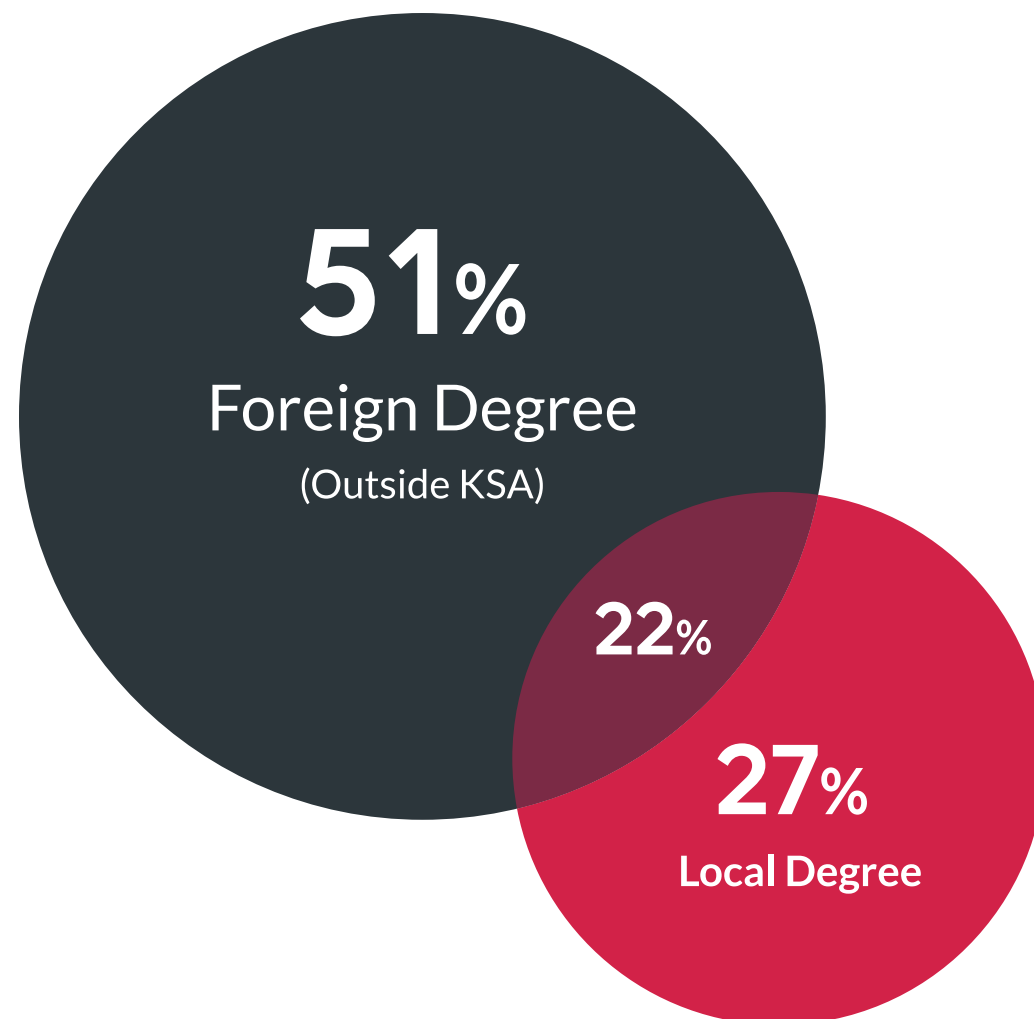
*Where Do Unicorns Come From? - Endeavor Insight



What % of the 400 founders studied locally and/or internationally (outside KSA)?

The majority of the 400 founders obtained their degrees internationally, comprising over half of the total.

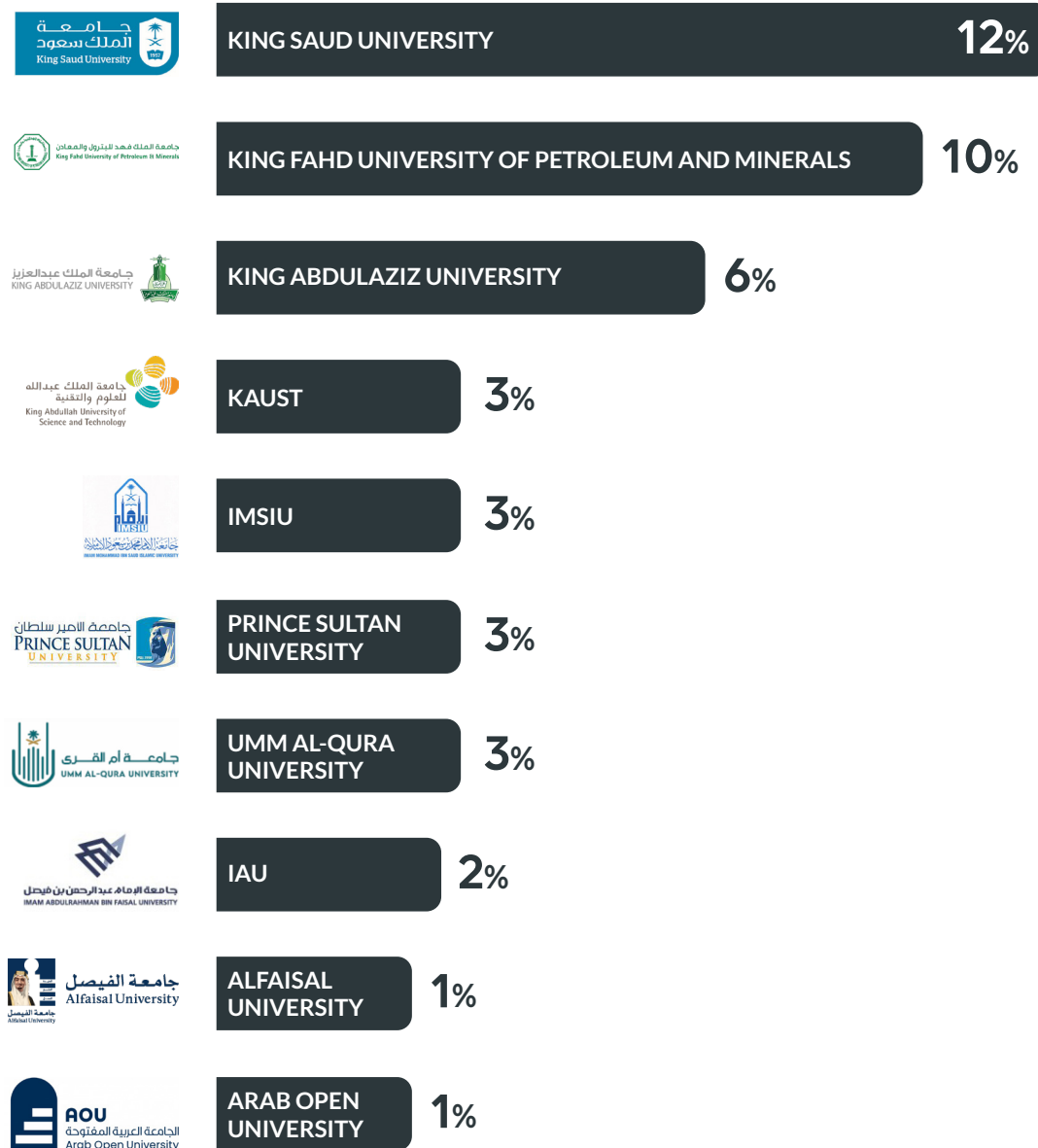
22% of founders held both international and local degrees, typically a local bachelor's and an international higher degree.



Top 10 Local Universities of Saudi Founders that Raised VC Funding

King Saud University, King Fahd University of Petroleum and Minerals, and King AbdulAziz University were among the most common institutions for startup founders.

Seven of the ten universities were public, with three being private: Prince Sultan, Alfaisal, and Arab Open University.

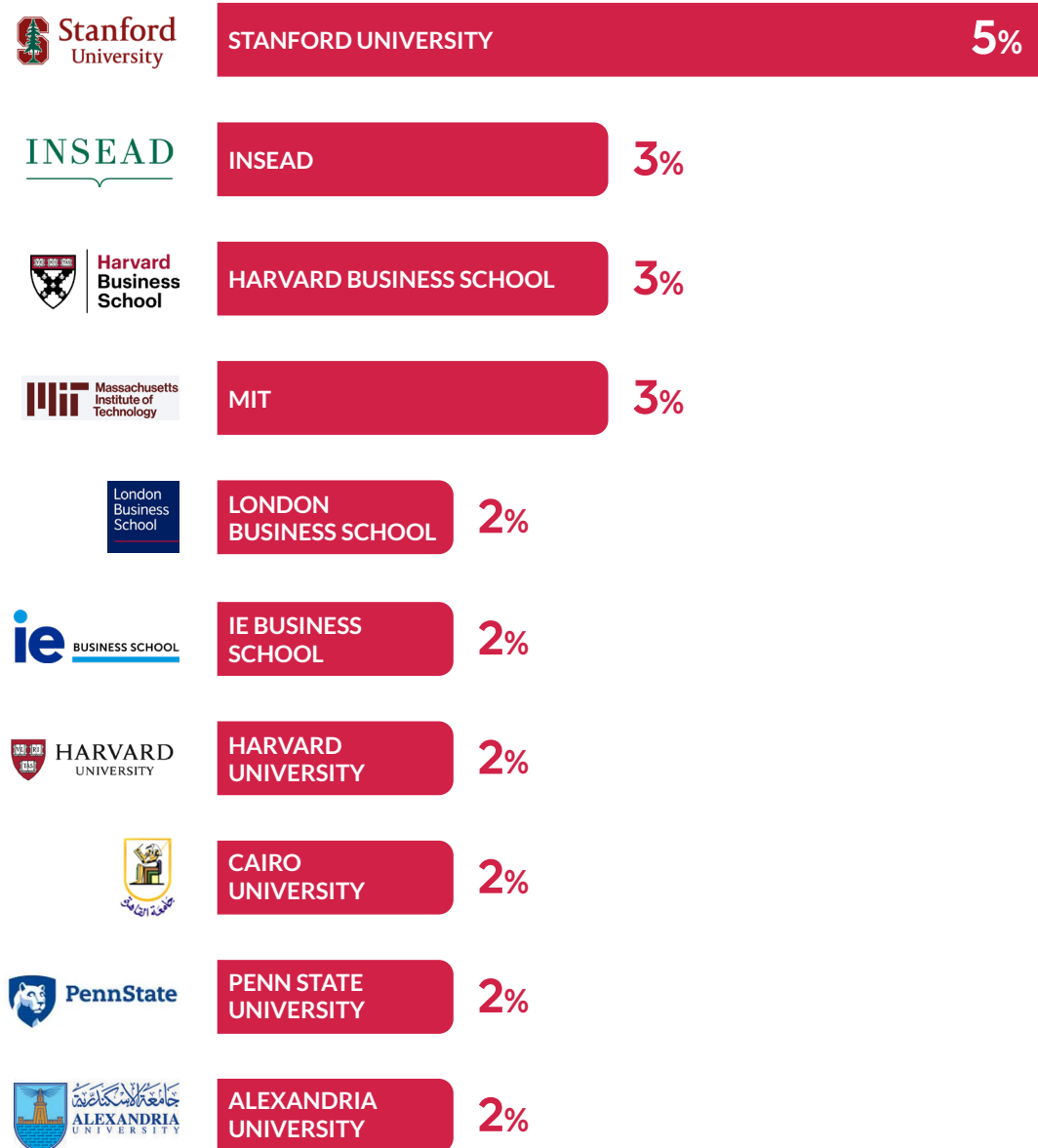


Top 10 International Universities of KSA based Founders That Raised VC Funding

Stanford and Harvard were among the top choices for founders in KSA, mirroring global trends. An analysis* of US founders funded in 2022 and 2023 revealed that 13% were from Stanford, while 8% were Harvard graduates.

The top international universities mostly hailed from the United States, with three European institutions, INSEAD, London Business School, and IE Business School, making it to the top 10.

*The List Of Schools Producing Funded Founders - Crunchbase

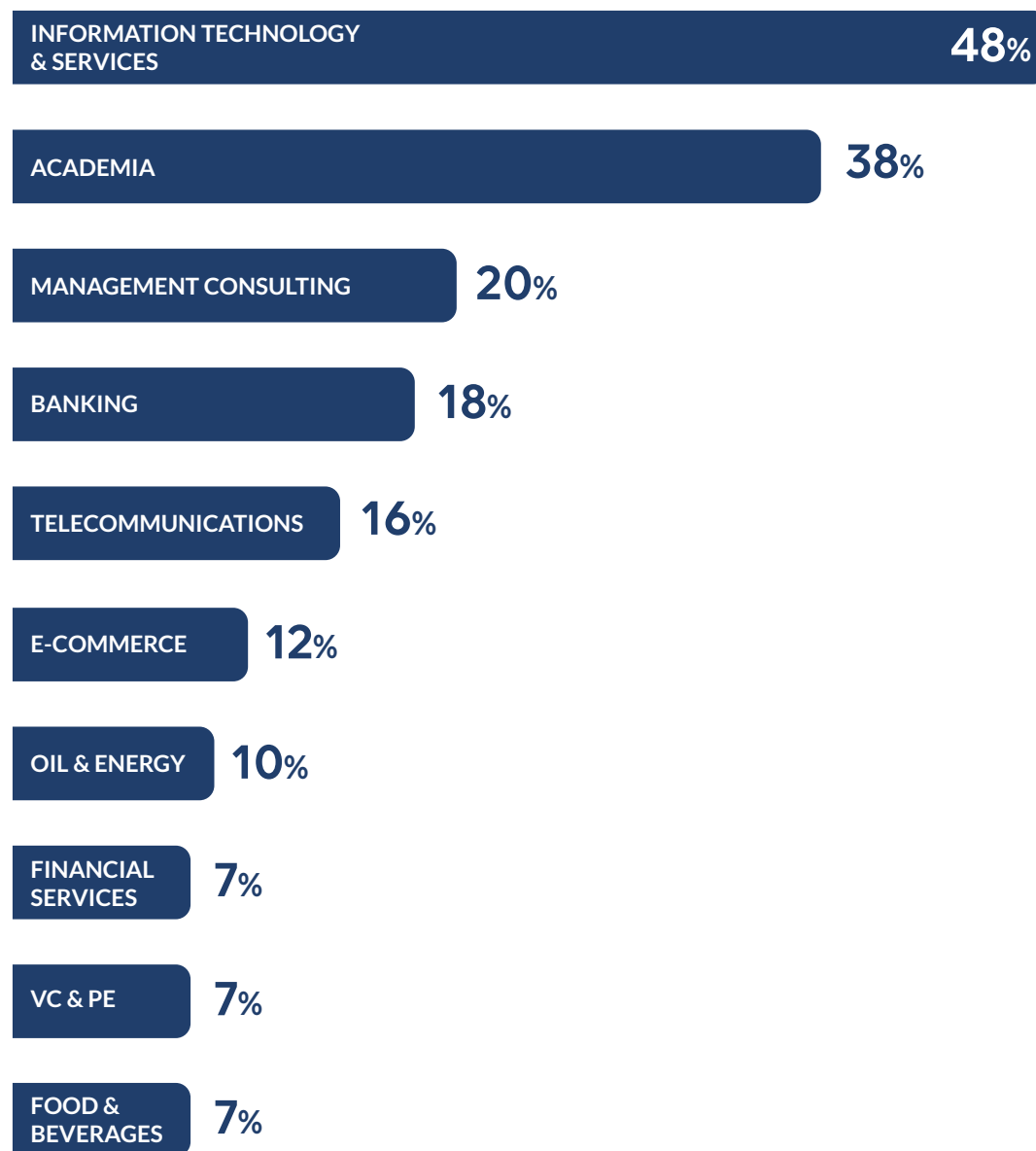


04 Founder Professional Experience

Top 10 Previous Work Industries of the Most Funded Saudi Founders

Founders with prior experience in Finance or Banking had a lower proportion compared to IT or Academia despite FinTech startups attracting the lion's share of funding (32%).

Even fewer founders had prior E-commerce experience (12%), the industry accounting for the highest share of deals (20%) closed by top 200 KSA startups.



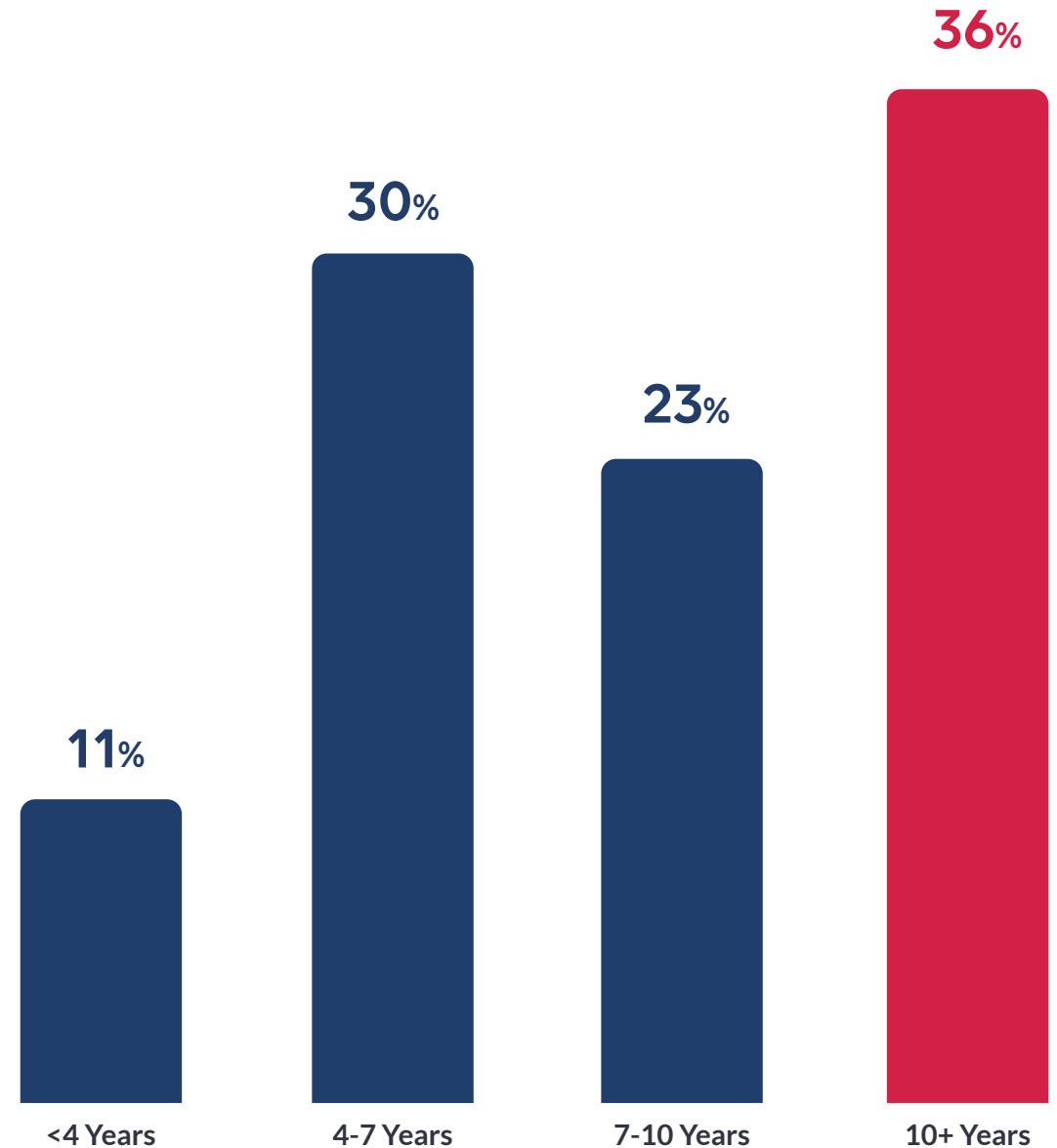
How many years of prior work experience did the founders in KSA have?

36% of the founders in Saudi Arabia are skilled professionals with over 10 years of experience. This trend was also noted in the USA and emerging markets, with founders averaging 10 years* of experience.

Another study on global unicorns found that serial founders (50)** were more likely to succeed in building unicorns.

*Where Do Unicorns Come From? - Endeavor Insight

**Unicorn Founder DNA Report - Defiance Capital



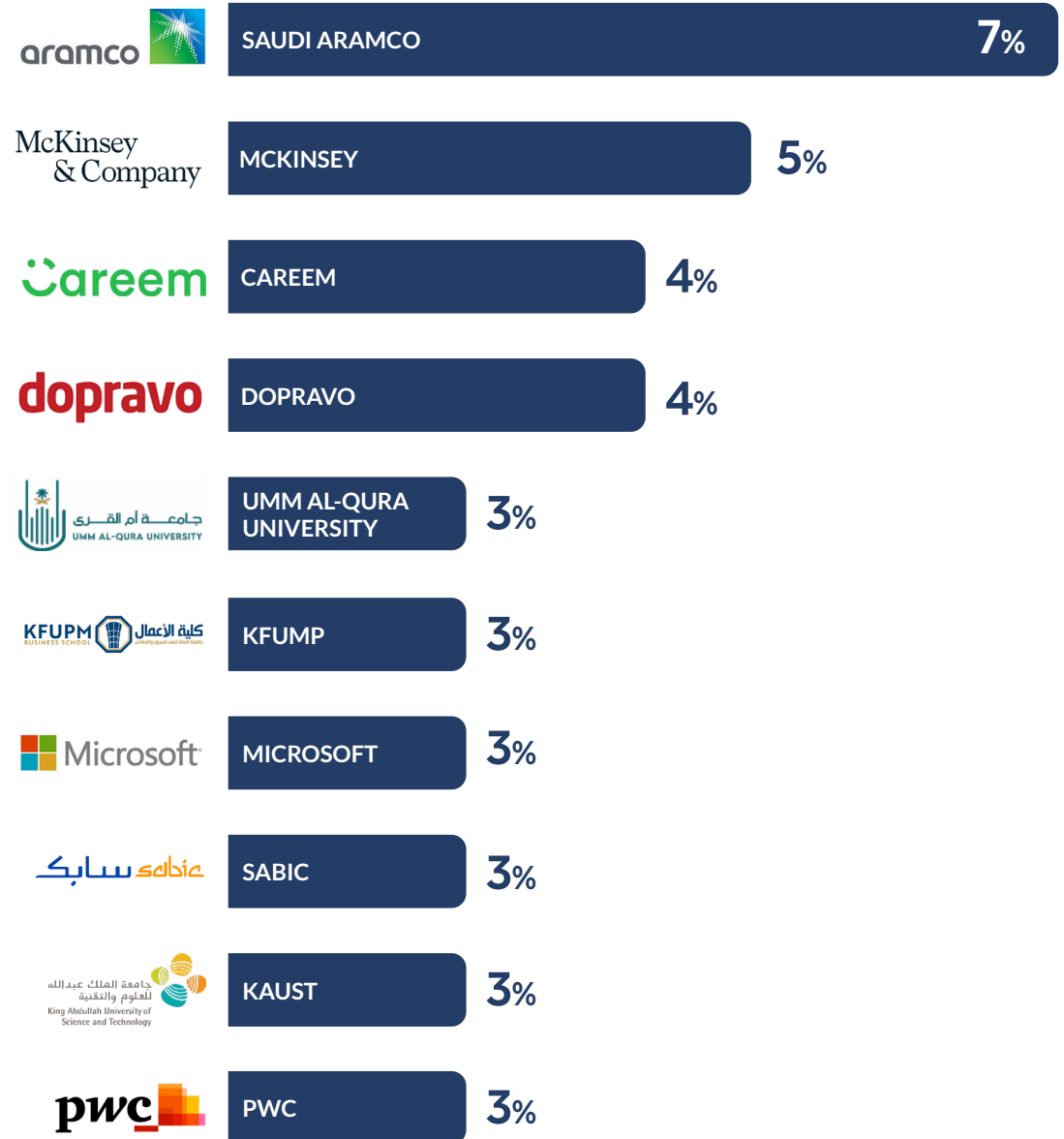
Data: Breakdown of the 400 founders by professional experience

Top 10 Companies Most Funded Saudi Founders Worked at Before Founding their Startup

McKinsey and Microsoft were among the top 10 companies of the 400 founders covered in this report, aligning with global trends in the Super founders report*.

Saudi Aramco, the national oil company of Saudi Arabia, was the leading employer for startup founders at 7%.

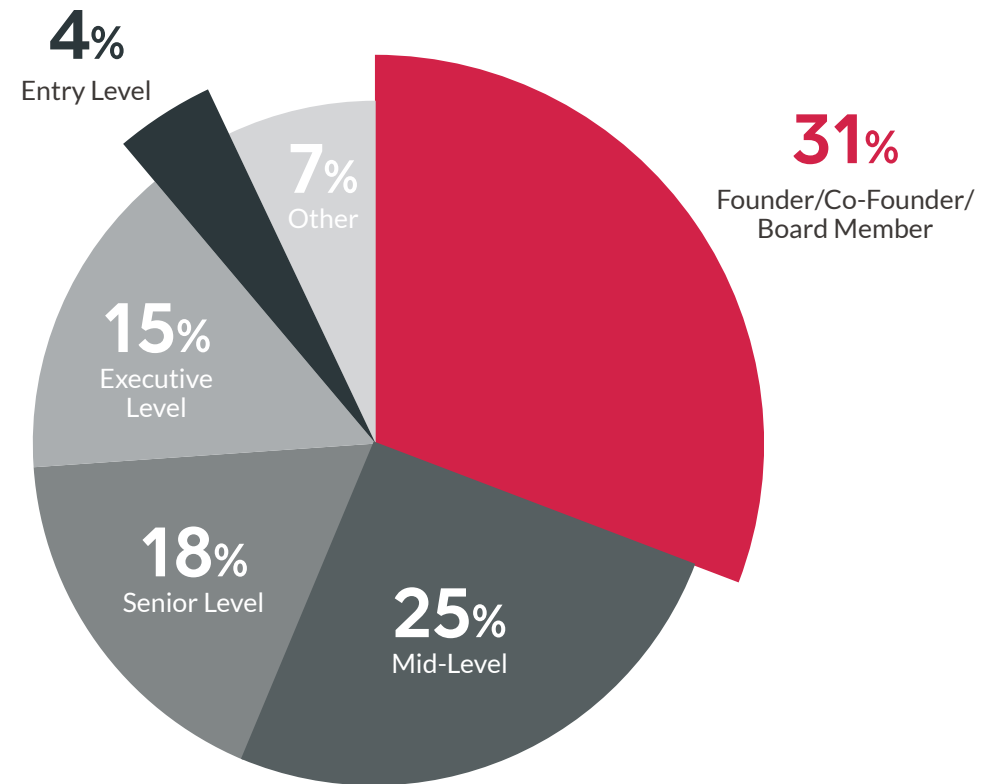
*Land of the "Super Founders" - Ali Tamaseb



What positions did the founders hold before founding their startups?

Founders predominantly held leadership roles with 31% having served as Founder, Co-Founder or Board Member.

Only 4% originated from entry-level positions, indicating that entrepreneurship in KSA was pursued by seasoned professionals.

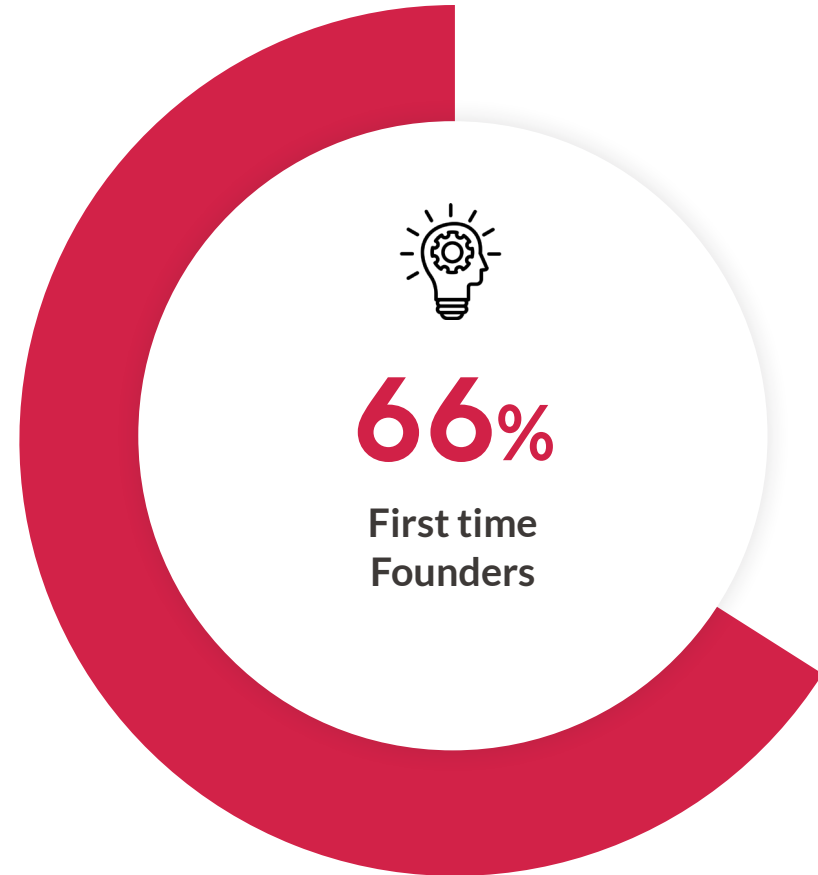


What percentage of the 400 founders were first time founders?

While KSA has witnessed several serial entrepreneurs, 66% founders in the last decade were first time founders.

In contrast, 50%* of founders in the US had previous startup/scale-up experience.

**Where Do Unicorns Come From? - Endeavor Insight*

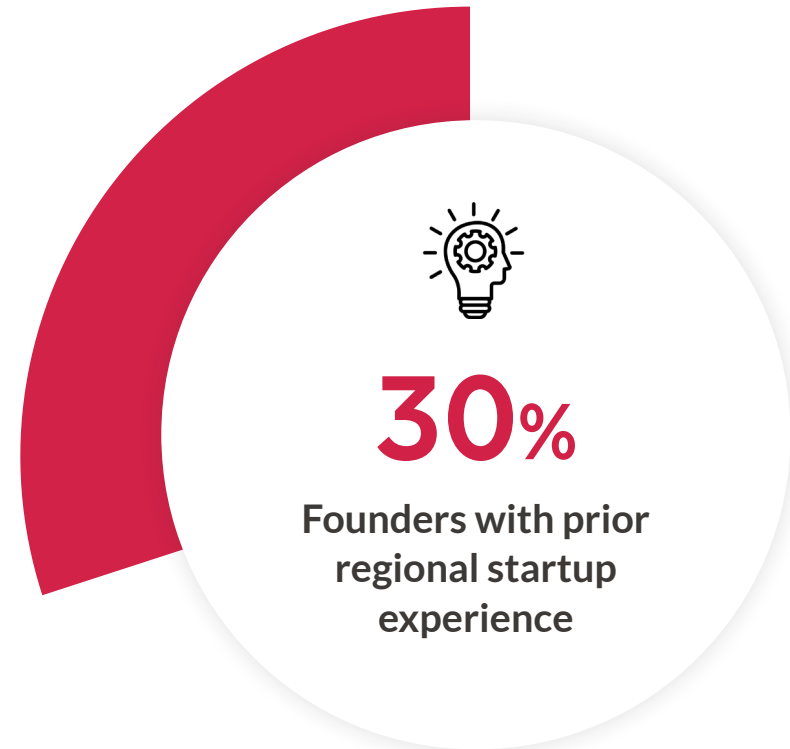


What percentage of the 400 founders had prior startup experience in the MENA region?

While familiarity with the demographics of the local market is important, only 30% of the founders in KSA had prior experience in the MENA startup space.

Comparing globally, a report* revealed that 55% of the US based unicorn startups analyzed had at least one immigrant founder, many of whom arrived in the country with prior business experience from outside the United States.

*Where are Immigrant Founders of U.S. Unicorns From? - Visual Capitalist



05 Exited Startups

Hunger Station



HungerStation is an online food ordering platform that connects customers across the Kingdom of Saudi Arabia & Bahrain. Through its technologies, HungerStation supports restaurants to increase their sales.



2012

Year Founded



\$297M

Total Funding Raised



2023

Year Acquired



11

Years to Exit

Founder Overview

1. Ebrahim Al-Jassim



Education

University:



Degree: Bachelor of Islamic Finance



Professional Experience

Last Role: Deputy General Manager



Previous Companies:



2. Hossein Bukhamseen



Professional Experience

Last Role: Web Developer



Jahez



Jahez is a Saudi Company that facilitates an online food delivery platform to unite stakeholders from restaurants, logistic fleet, and customers' meal orders into Jahez Mobile Application.



2016

Year Founded



\$36.5M

Total Funding Raised



2022

IPO Year



6

Years to IPO

Founder Overview

1. Ghassab Al-Mandil



Education

University:



Degree: BA - Computer Science



Professional Experience

Last Role: CEO



Previous Companies:



Sanad Cash



Sanad Cash is MENA's All-in-One Spend Management tailored for Startups, SMEs and Corporates. It allows tracking of spending from one single dashboard, and instantly issue multi currencies corporate cards for employees in seconds.



2020

Year Founded



\$2M

Total Funding Raised



2023

Year Acquired



3

Years to Exit

Founder Overview (2/4)

1. Shorhabel Ghoneim



Professional Experience

Last Role: CTO



Previous Companies:



2. Mahmoud Iswaid



Education

University:



Degree: Bachelors of Computer Information Systems



Professional Experience

Last Role: CEO

Previous Companies:



Sanad Cash



Sanad Cash is MENA's All-in-One Spend Management tailored for Startups, SMEs and Corporates. It allows tracking of spending from one single dashboard, and instantly issue multi currencies corporate cards for employees in seconds.



2020

Year Founded



\$2M

Total Funding Raised



2023

Year Acquired



3

Years to Exit

Founder Overview (4/4)

3. Sultan Alhugail



Education

University:



Degree: Bachelor of Engineering



Professional Experience

Last Role: Utilities and Water Corporate Account Manager



Previous Companies:



4. Tareq Awawdeh



Education

University:



Degree: MBA



Professional Experience

Last Role: Director Project Management Office



Previous Companies:



06 About SVC

About SVC

SVC is an investment company established in 2018 and is a subsidiary of the SME Bank, part of the National Development Fund (NDF).

SVC aims to stimulate and sustain financing for startups and SMEs from pre-Seed to pre-IPO through investment in funds and direct investment in startups and SMEs. Since inception, SVC has backed 50 Private Capital (Venture Capital, Private Equity, Venture Debt, Private Debt) Funds that supported 700+ Startups and SMEs.

Learn more about SVC at

[SVC.COM.SA](https://svc.com.sa)

1. Investment In Funds

1.1 - Venture Capital Funds					
Accelerator and Startup Studio Funds					
1.2 - Private Equity Funds			1.3 - Venture Debt and Private Debt Funds		

2. Direct Investments

Direct investment in startups and SMEs to catalyze investments for strategic or financially-driven objectives.

07 About MAGNiTT

About MAGNiTT

The number one platform for verified venture capital data in the Middle East, Africa, Pakistan, Turkey, and Southeast Asia.

MAGNiTT, an enterprise SaaS solution provider headquartered in the Dubai International Financial Centre (DIFC), is the number one source of verified investor, startup, and funding data in the Middle East, Africa, Pakistan, Turkey, and Southeast Asia.

32,000
Startups

11,000
Investment Firms

900
Exits

9,000
Founders

16,000
Funding Rounds

4,000
Investors

Get access to more insights and speak to our team for a demo

[Contact Us](#)

We are The Reference For



MAGNiTT’s software helps its subscribers identify the right investment opportunities through its 32,000-strong database, allowing you to conduct market research, identify leads, and create impactful data-led presentations.

MAGNiTT aids decision-making by providing real-time dashboards allowing subscribers to generate in-depth reports, track and monitor trends, and identify business critical insights within the venture capital industry.

MAGNiTT has become the region’s largest source of venture capital data and analytics and is the reference for worldwide media, including The Wall Street Journal, Bloomberg, World Economic Forum, The Financial Times, Al Arabiya, and The National.

Organisations including big tech, investors, governments, and consulting firms rely on MAGNiTT every day to inform their venture capital decisions and increase their competitive advantage.

MAGNiTT's proprietary database and software provides access to data from multiple sources: user- submitted data verified by MAGNiTT, aggregated public information, data engineered by MAGNiTT. All non-engineered data is verified and curated with an extensive process for inclusion in its analytic reports.

Data is the foundation of thriving entrepreneurship ecosystems.

Proprietary

Startups and institutions list their proprietary information on their funding amount, stage, date, and investors directly onto the MAGNiTT platform. All funding data is validated through a rigorous process. To ensure comprehensiveness in the data, on a quarterly basis a follow-up with verified funding institutions on MAGNiTT occurs, requesting details on all their investments, including stage, amount, date, and other co-investors. This includes, and is not limited to, VCs, CVCs, angel groups, accelerators, university funds and family offices for MAGNiTT's focus geographies.

Public

We undertake a continued gathering of public announcements and press releases on the venture funding landscape across MAGNiTT's focus geographies.

Engineering Data

Where information is incomplete or undisclosed, proprietary algorithms that tap into MAGNiTT's databases are used to create estimates for undisclosed data with factors including but not limited to year of funding, location of startup, stage of investment and the company's industry.

MAGNiTT encourages you to review the methodology and definitions employed to better understand the numbers presented in this report. If you have any questions about the definitions or methodological principles used, reach out to MAGNiTT directly. Below is an outline of the approach and criteria used in MAGNiTT's research analysis:

What is included: Equity financing into private companies. Funding rounds included must be to VC-backed companies. VC-backed companies are defined as companies that have received funding at any point from: venture capital firms, corporate venture arms, accelerator programmes, or Angel investors. Where disclosed Angel investments are made at early stages these deals are included once verified.

Excludes: It excludes debt or other non-equity funding, lending capital, grants and ICOs.

Exits: M&A and IPOs are treated as exits: excluded from funding data, but included in exit data. Exit types that are excluded from this report are buyouts and secondary rounds.

Transaction date: Where provided the date of the transaction is based on the closing date of the round. Where this is unavailable, it is recorded as the announced date per public record.

Data lags: The data contained in this report comes directly from MAGNiTT, reported as of **January 4th 2024**. Data lags are most pronounced at the earliest stages of venture activity. The data aggregated for these rounds during the latest quarter, specifically with seed funding, increases significantly after the end of that quarter.

Verified Rounds: To ensure accuracy and confidence in our data, MAGNiTT undertakes a verification process for each funding round based on the following process:

- Direct confirmation from the funding institution or investor
- Validated if there is a 3rd party source for the investment round from credible media sources or press releases.
- Various regulatory filings where applicable
- A round is not verified if it has none of the above 3rd party reference

Country HQ: In each of our venture reports, the location for which the data is analysed is based on the startup's HQ as chosen and verified by the startup and reflected on the MAGNiTT platform. When analysing a particular geography, our research does not include:

- Investments in startups from diaspora founders
- Funding for startups who have their main HQ outside of our coverage with only a subsidiary or branch in that country

Primary Industry: In each of our venture reports, the industry by which the data is analysed is based on the startup's Primary Industry (main operational focus) as chosen and verified by the startup and reflected on the MAGNiTT platform. When analysing a particular industry, our research does not include:

- Startups whose secondary focus is that industry

Historical changes: We continue to improve historical data as we further verify our data sets and expand by geography while reaching out to new funding Institutions. Continued improvements in our technology and data operations will lead to more accurate and comprehensive data sets on the platform for our research analysis.

▶ All underlying data from the report is available online via magnitt.com/startups. For more info please visit magnitt.com or contact support@magnitt.com

▶ If you feel your firm has been underrepresented, please send an email to data@magnitt.com and we can work together to ensure your firm's investment data is up-to-date

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