

SVC

The acceleration of venture capital ecosystem in Saudi Arabia

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Athary Fahad Almubarak

Chief Strategy Officer, SVC

Saudi Arabia's venture capital ecosystem has entered a new era of depth and maturity. In just a few years, the Kingdom has emerged as the region's most dynamic and resilient hub for innovation. Over the past years, rising investment volumes, a broader base of founders and investors, and continuous modernization of the regulatory landscape have reshaped the Kingdom's competitive position. Together, these advances have strengthened the foundational pillars of the ecosystem: a growing pipeline of skilled talent, increasing access to capital across stages, strong infrastructure, an adaptive policy environment, and a societal mindset that increasingly embraces entrepreneurship as a path to national progress.

Today, these pillars are not only established, but reinforcing one another, generating a cycle of momentum that is accelerating both the scale and the sophistication of venture activity. The road ahead reflects a transition from rapid growth to strategic expansion—one that emphasizes sustainable value creation, deeper sectoral expertise, and pathways for startups to scale beyond local markets. As the Kingdom moves forward, it is well-positioned to lead the region's venture landscape while steadily extending its reach, partnerships, and influence on the global stage, paving the way for a new generation of high-impact ventures.



Omar Almajdiui

Founding Partner, RAED

Over the past decade, the Saudi tech ecosystem has moved from early promise to undeniable momentum. When Raed Ventures was founded, just before the launch of Vision 2030, we believed the region, and Saudi Arabia in particular, had the talent and ambition to build great companies. What we did not expect was the speed of transformation. As more local and regional founders chose Saudi Arabia to build their companies, waves of local, regional, and global venture capital firms also became more active in the Kingdom. Our focus naturally shifted toward Saudi Arabia, where growth has been stronger and faster than anyone predicted. Sectors we once assumed would take years to develop, like software and advanced tech, matured rapidly. Today, we see a new phase emerging: companies built from day one to scale regionally and globally, backed by increasingly diverse and globally minded teams.



Abdulmajeed Alsukhan

Co-founder and CEO, Tamara

Saudi Arabia's venture capital landscape has expanded at an extraordinary pace, supported by stronger access to capital and a surge of interest from international investors who now recognize the Kingdom as a serious destination for innovation. As a Saudi entrepreneur, I have seen our ecosystem evolve from a small community of founders with bold ideas into a vibrant arena where companies can scale globally from day one. This momentum reflects the broader ambitions of Vision 2030, which continues to empower the private and technology sectors to drive meaningful economic growth. With a young, tech-savvy population and a fast-maturing entrepreneurial culture, the future of venture investing in the Kingdom has never been more exciting.

Executive summary

The Kingdom's venture market has shifted from emergence to acceleration, with investment volumes and investor participation expanding rapidly. Strong government-driven catalysts have built the foundation for a thriving private ecosystem. Saudi Arabia is now transitioning from early-stage dynamism to scaled, sustainable growth supported by a broader base of entrepreneurs and institutional investors.

Saudi Arabia's five reinforcing pillars - world-class talent, abundant capital, enabling infrastructure, agile regulation, and a risk prone culture - are creating a self-sustaining innovation cycle that fuels a thriving startup ecosystem. Together, they convert policy intent into commercial outcomes and investor confidence. The result is a maturing ecosystem able to scale new ventures domestically and attract global capital inflows.

A distributed national venture ecosystem is emerging, with Riyadh leading in finance and digital innovation, Jeddah in commerce and logistics, and the Eastern Province spread across multiple sectors. FinTech and e-commerce remain growth engines, while new sectors are taking root. This geographic and sectoral diversification signals an ecosystem moving from concentration to depth and resilience to absorb temporary sector-specific shocks.

Saudi Arabia stands at an inflection point - evolving from rapid growth to long-term maturity as a regional venture capital powerhouse. With institutional capital, global partnerships, and risk-taking confidence converging, the ecosystem is poised for sustained innovation leadership. The next decade will be defined by scalable exits, reinvestment, and the Kingdom's emergence as MENA's anchor for venture creation.

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01.

Introduction

Saudi Arabia is undergoing a profound economic transformation under Vision 2030, seeking to diversify its economy and raise private sector participation. Within this context, the venture capital ecosystem has emerged as a cornerstone for channeling capital into high-growth sectors, fostering innovation, and building a more dynamic private economy. Venture investment not only fuels the growth of new companies but also supports technological adoption, job creation, and competitiveness across priority industries. By bridging funding gaps and offering flexible capital at different stages of growth, the venture capital ecosystem broadens participation, accelerates scaling, increases diversification, and aids the development of globally competitive firms.

The Kingdom has introduced bold reforms and institutional upgrades to strengthen its venture landscape. Regulatory modernization, capital market deepening, the expansion of innovation hubs, and initiatives that bring research to market through spin-outs and licensing have all contributed to a clearer pathway from early-stage funding to scale-up. These measures have created a more attractive environment for both local and international investors, while also anchoring Saudi Arabia's role as a regional hub for venture activity.

This report examines the evolution and outcomes of Saudi Arabia's venture capital ecosystem, highlighting the momentum, emerging trends, and structural shifts shaping its trajectory. It decomposes the ecosystem across five founding pillars - talent, access to capital, infrastructure, regulatory framework, and culture - and it maps sectoral and regional patterns of investment. By combining data with practitioner insights, the analysis identifies strengths, gaps, and opportunities for expansion. Ultimately, the report positions Saudi Arabia not only as a fast-growing venture market, but as a maturing, strategically placed hub for long-term venture capital deployment, with regional reach and global relevance.



02.

Evolution and structure of the ecosystem

Status of venture capital in Saudi Arabia

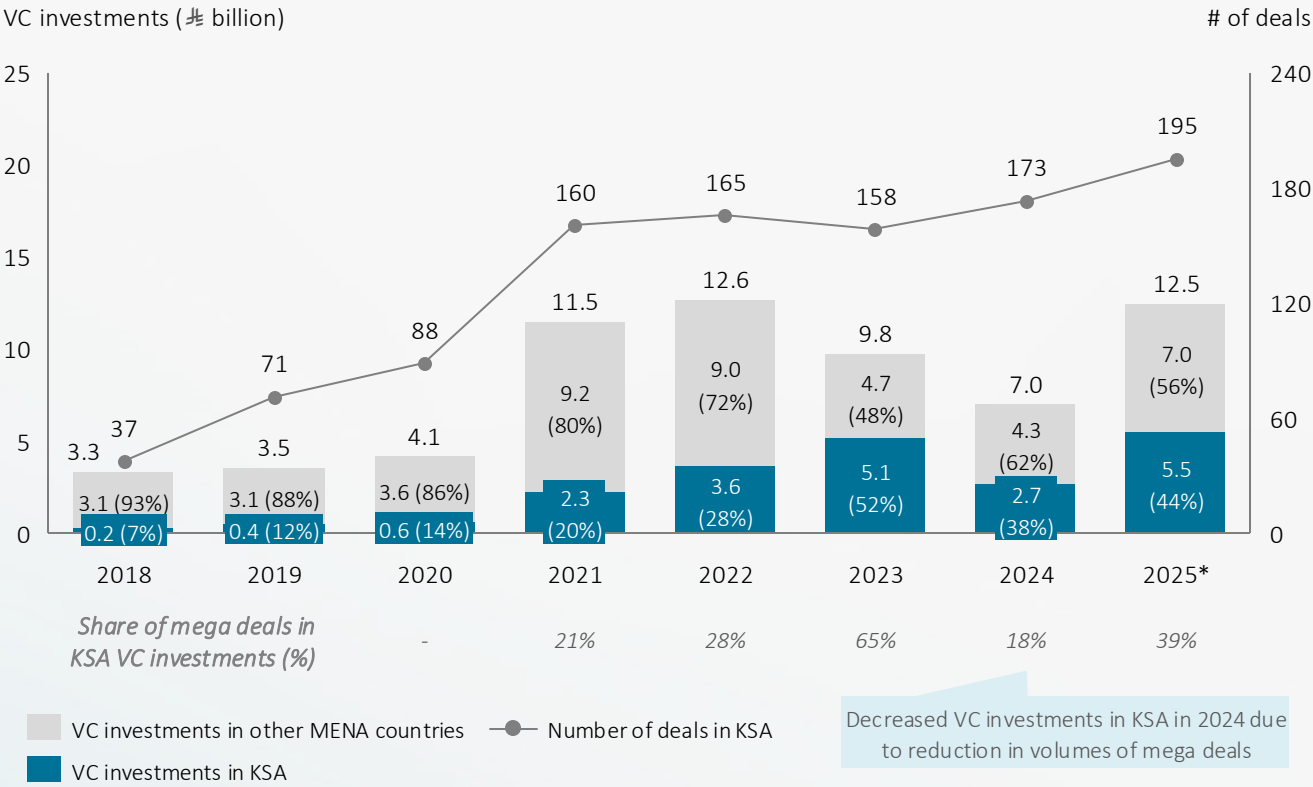
Saudi Arabia’s startup momentum draws strength from a long history of commerce and a culture that embraces risk. For generations, enterprise formation has been integral to the Kingdom’s economic development, and continuing a family tradition is currently the most frequently motivation for starting a new business¹.

On top of this cultural base, the financing engine for startups has scaled across venture capital (VC). From 2018 to 2024, VC investments rose 10 times from ﷲ 240 million (USD 64 million) to ﷲ 2.7 billion (USD 714 million), making Saudi one of the fastest-growing VC markets in the MENA² (Figure 1). In 2025, VC investments have already reached ﷲ 5.5 billion (USD 1.5 million), twice the annual value of 2024, as investor participation broadens - 173 active investors in 2025, up 18% from 2024³.

Startup pipeline has expanded throughout the years, with total deal count continuing to rise⁴. In fact, deal activity climbed steadily from 37 in 2018 to 173 in 2024, reflecting the growing pipeline of ventures entering the market. VC market witnessed a decrease in 2024 due to reduction in the number of mega deals, but startup pipeline remains healthy. When compared to regional dynamics, Saudi Arabia’s share of total MENA VC funding has substantially risen from ~7% in 2018 to ~40% in 2024 and 2025.

Startups expansion sits within the broader growth of SMEs in Saudi Arabia: SMEs numbered 1.6 million in 2024, with roughly 150,000 new businesses added each quarter⁵. Under Vision 2030, Saudi Arabia set a target to raise the SME sector’s contribution to GDP from 20% to 35% by 2030⁶. As of 2023, SMEs contributed ~22% of GDP, leaving large opportunity for further growth⁶.

Figure 1: VC investments in MENA and number of deals in KSA (2018 - 2025)



Source: SVC analysis on Magnitt data

1. Global Entrepreneurship Monitor (2025) Kingdom of Saudi Arabia National Report 2024-2025
2. SVC and Magnitt (2025) FY 2024 Saudi Arabia Venture Capital Report
3. SVC and Magnitt (Various years) Saudi Arabia Venture Capital Report
4. SVC and Magnitt (2025) FY 2024 Saudi Arabia Venture Capital Report; Magnitt (2025) Saudi Arabia Venture Investments 2024
5. Monsha'at (2025) SME Monitor Q4-2024; Saudi Arabia Startup Ecosystem Profile, StartupBlink
6. Vision 2030 (2025) Annual Report 2024

Venture capital cycle and key stakeholders

Venture capital operates through a dynamic private capital cycle that continuously fuels its own expansion. Institutional investors (LPs) allocate capital to fund managers (GPs), who deploy it into high-potential startups. Founders, in turn, launch and scale these ventures with support from partners, talent, and infrastructure. Successful exits - through acquisitions, IPOs, or secondaries - generate attractive returns, which flow back to LPs and GPs, catalyzing reinvestment into the next generation of startups. Each rotation of this cycle compounds experience, confidence, and liquidity - creating a virtuous loop where past success accelerates future growth. As returns validate the market and attract new investors, the ecosystem deepens, diversifies, and moves toward greater sustainability and global competitiveness.

The strength and sustainability of this cycle depend on the collaboration of four interconnected groups of ecosystem stakeholders: policy makers, universities and research institutions, infrastructure and support providers, capital providers.

First, policy makers shape an enabling environment that ensures transparency, lowers entry barriers, and builds investor confidence.

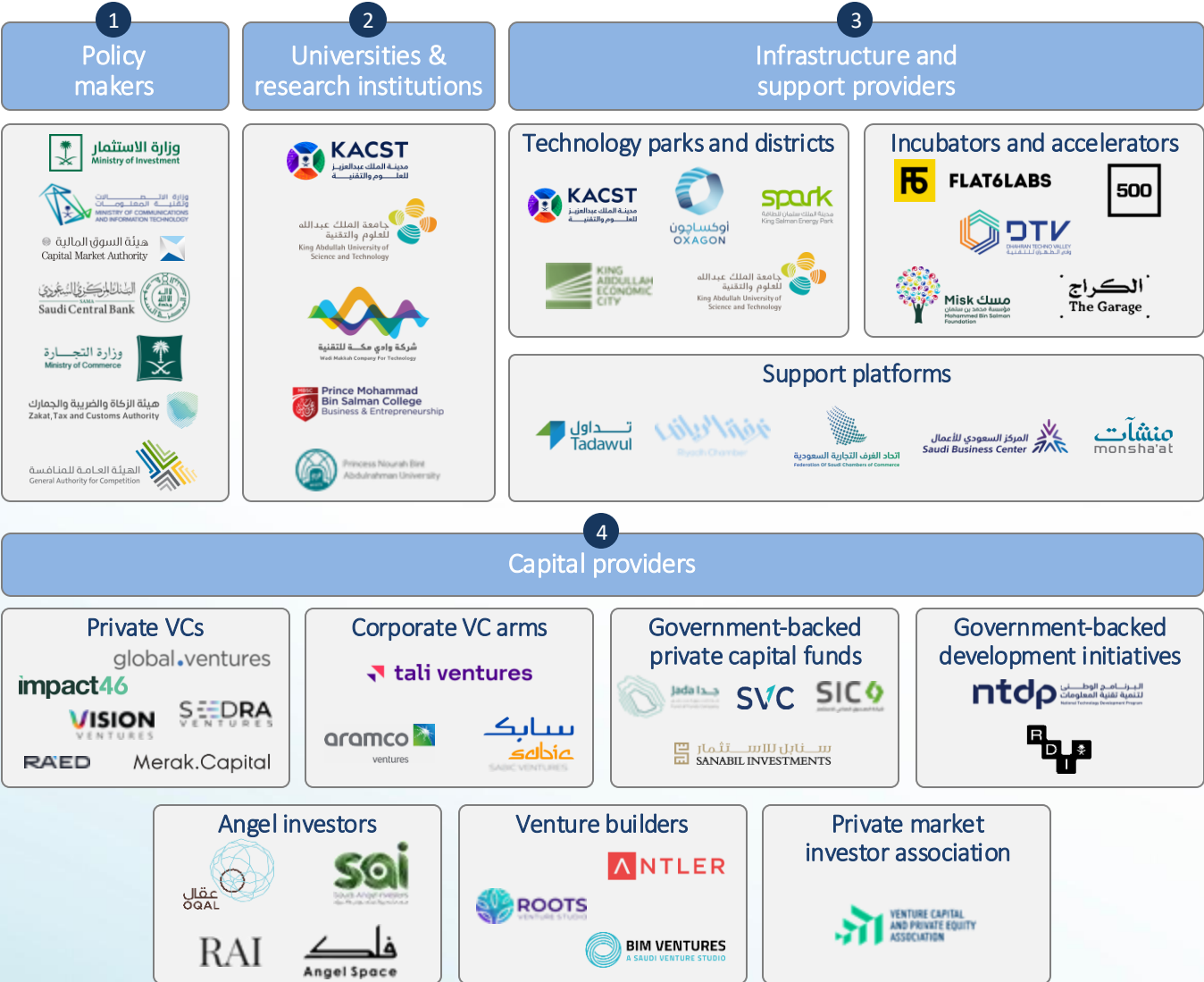
Second, universities and research institutions generate the ideas, intellectual property, and skilled talent that underpin new ventures.

Third, infrastructure providers - such as technology parks, incubators, and accelerators - create the physical and operational foundation that allows startups to collaborate, test, and scale efficiently.

Fourth, capital providers - ranging from early-stage investors to large institutional funds - inject the financial and strategic resources needed to turn ideas into competitive businesses.

Together, these actors form the backbone of the venture ecosystem, ensuring that capital, talent, and innovation continuously reinforce one another to drive sustained ecosystem growth.

Non-exhaustive list



03.

Enabling pillars

Pillars of the ecosystem

Saudi Arabia’s VC ecosystem is anchored on five reinforcing pillars that provide both capacity and momentum for growth.

A vibrant ecosystem starts with a critical mass of skilled founders, engineers, and researchers who can turn ideas into scalable ventures. Strong universities and innovation hubs fuel this cycle by generating knowledge, fostering collaboration, and recycling experienced talent into new startups.

Sustained growth depends on diverse and accessible funding sources across all stages. A balanced mix of seed investors, venture funds, and growth capital - paired with investor expertise and networks - enables startups to scale efficiently and attract follow-on investment.

Efficient startup operation requires accessible technology parks, incubators, and shared workspaces that reduce costs and speed up collaboration. Reliable digital infrastructure and testing environments support rapid product development and commercialization.

Clear, adaptive, and transparent regulation lowers friction for innovation. Efficient business setup, IP protection, and licensing procedures encourage experimentation while maintaining investor confidence and reducing operational uncertainty.

Finally, a robust risk-taking culture values experimenting and views failure as learning. Societies that reward innovation and resilience create repeat founders, attract ambitious talent, and embed startups as engines of long-term economic growth.

Together, these factors form the foundation of Saudi’s rapidly maturing VC ecosystem.

5 pillars driving the ecosystem

01



Density of talent

Concentration of skilled labor which generates, develops, commercializes researches and innovations

02



Access to capital

Availability of venture capital that enables startups to develop products, scale, and attract follow-on investment

03



Physical & technical infrastructure

Presence of technology parks, incubators, and shared workspaces that foster collaboration, reduce costs, and support startup operation

04



Regulatory framework

Clarity, efficiency, and adaptability of policies and regulations that reduce friction for innovation and protect IP

05



Risk-taking culture

Prevailing societal mindset that values risk-taking, embraces failure, and encourages establishment of new ventures

01 Density of talent

Saudi Arabia combines a large, youthful workforce (~70% of population under 35)⁷, which integrates two complementary streams of venture talents: scientific and business-oriented. The interplay between these two groups sustains ecosystem depth: researchers and scientists generate new knowledge and technologies, while commercially focused entrepreneurs and experienced operators translate opportunities - whether born from research or market insight - into scalable businesses that drive execution, growth, and competitiveness. Together, they form the backbone of a talent-rich environment capable of generating and scaling globally competitive ventures.

The Research, Development and Innovation Authority (RDIA) supports scientists and founders through grants and commercialization initiatives that de-risk early-stage research, build lab-to-market infrastructure, and crowd in private capital.

Also, national research institutes further strengthen the ecosystem by training talent on cutting-edge scientific fields. King Abdullah University of Science and Technology (KAUST) has launched four Centers of Excellence focused on generative AI, renewable energy, smart health, and food security¹¹.

“Riyadh’s R&D talent pool is deeper than many assume; there are 300+ researchers at KACST, which through collaboration expands to thousands across the city”

- Dr. Ali H. Alhasan, CEO & Founder at NanoPalm

Scientific talent

Scientific talent, including researchers, engineers, and innovators from universities and R&D centers, drives the creation of new intellectual property, technologies, and products that form the foundation of venture innovation. Currently, 29% of adults with higher education have studied STEM subjects in Saudi Arabia⁷. The growth of this group of talents is confirmed by the Kingdom’s growing strength in frontier fields: Saudi Arabia now ranks 24th in the Global Talent Competitiveness Index and 19th globally for AI talent density⁸, ahead of several advanced economies. National ambitions target 200,000 high-tech jobs by 2030 and significant AI investment inflows, supported by competitive salaries that attract international expertise.

Saudi’s R&D budget reached ﷲ 22.6 billion in 2023 (~USD 6 billion), a 17% increase year-on-year, reflecting sustained government commitment⁹. Furthermore, Saudi Arabia recorded a 13% increase in patent filings in 2024, reaching an all-time high of 8,000+ applications, underscoring an upward trajectory in innovation¹⁰.

RDI programs support scientists to ensure high-value ideas can be developed domestically.

King Fahd University of Petroleum and Minerals (KFUPM) and King Abdulaziz City for Science and Technology (KACST) continue to rank globally in engineering and applied sciences¹¹.

Business-oriented talent

Business-oriented talent represents the engine of venture creation in Saudi Arabia’s evolving innovation economy. These are founders, operators, and professionals who combine commercial, managerial, and strategic skills. They often identify opportunities through market gaps, customer pain points, or operational inefficiencies rather than scientific research. Their strength lies in designing scalable business models, mobilizing capital, assembling capable teams, and executing with speed and discipline. This group includes serial entrepreneurs, ex-corporate managers, consultants, financiers, and alumni of fast-growing startups who bring practical experience in building and scaling businesses. Today, 14% of adults with higher education have studied business subjects in Saudi Arabia, while 25% of the population currently enrolled in higher education is focusing on these topics⁷.

“KAUST attracts top scientific talent from around the world and provides them with the flexibility and support to explore high impact translational research”

- Ryan Lefers, Co-founder & CEO at iyris

7. GASTAT (2024) Saudi Youth Statistics Report; GASTAT (2025) Adult Skills and Learning Statistics 2024

8. Vision 2030 (2025) Annual Report 2024; IFF Institution (2025) IMD World Talent Ranking

9. Arab News (2024) Saudi Arabia boosts R&D spending to \$6bn in 2023 amid Vision 2030 push; King Abdullah University of Science and Technology: Rankings (2025)

10. Arab News (2025) Saudi Arabia sees 13% rise in patent filing to reach 8,029 in 2024

11. KAUST (2024) KAUST Launches Four Centers of Excellence to Address Global and National Challenges; KFUPM (2025) KFUPM Ranks Among the World’s Top 100 Universities

12

Saudi Arabia offers strong program coverage across the entire startup lifecycle - from idea formation and early incubation to acceleration and scale-up. This expanding ecosystem of initiatives provides aspiring founders, technical specialists, and support professionals with the tools, mentorship, and networks needed to transform ideas into sustainable ventures.

Programs such as Misk Launchpad have become key training grounds for first-time founders, offering mentorship, business-model refinement, and access to investor networks. They focus on translating ideas into execution by strengthening founders’ understanding of go-to-market strategy, fundraising, and organizational design. Similarly, the Center of Digital Entrepreneurship (CODE) and Empower Tech Entrepreneurs programs provide early-stage founders with business incubation, digital skills, and mentorship to commercialize their ideas quickly. The Saudi Unicorn Program (SUP) extends this support to later-stage entrepreneurs, helping them build the managerial depth, governance structures, and international expansion strategies needed for scale.

Beyond founders and technical experts, successful startup ecosystems rely on a strong base of supporting talents - professionals in areas such as human resources, law, finance, accounting, and compliance. For instance, specialized legal professionals have deep knowledge on structuring fundraising rounds, drafting term sheets, and negotiating shareholder agreements that balance founder and investor interests. Others focus on intellectual property, regulatory compliance, and employment law,

helping startups protect their innovations, navigate licensing, and build sound governance from the outset. These specialists provide the structure and discipline that allow startups to operate efficiently, attract investors, and scale responsibly. As ventures grow, the complexity of hiring, governance, regulatory reporting, and fundraising increases, making support professionals indispensable.

In mature ecosystems, lawyers skilled in venture deals, HR experts familiar with startup dynamics, and finance professionals adept in valuation and capital planning are often the hidden enablers of sustainable growth. In Saudi Arabia, much of this expertise has historically resided in large corporates, but the gradual migration of these professionals into startups, accelerators, and venture funds is helping to institutionalize best practices.

Going forward, Saudi Arabia can further continue to strengthen and develop scientific talents in the fields of AI/ML, cloud, cybersecurity and advanced manufacturing to keep pace with evolving market needs¹². Yet talent depth alone will not yield scale unless the commercialization pathway improves. The conversion of lab results into startups is still limited: only 8% of companies going from early-stage to series A, reflecting a shortage of experienced business enablers who can turn research and early traction into repeatable growth¹³. Closing these gaps will require stronger tech-transfer capacity, targeted global talent attraction, and mobility programs to channel experienced operators into startups.

Non-exhaustive list

Initiatives & programs to increase talent density



Center of Digital Entrepreneurship (CODE)



Academy 32



Misk Launchpad



Tech Research Challenge (TRC)



TAQADAM Accelerator



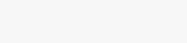
DISAI Accelerator¹⁵



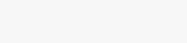
Saudi Unicorn Program (SUP)¹⁴



Ignition (Semiconductor Incubator)



Entrepreneurs' community



TechCrew



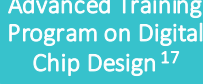
Ignite Program



Technology Transfer Internship Program¹⁶



4 Centers of Excellence



Advanced Training Program on Digital Chip Design¹⁷



Strategic Business Leadership Program¹⁸



PNU Innovation Center

12. Ministry of Human Resources and Social Development (2025) Digital Sector Skills Framework

13. Magnitt (2025) 2020-2024 KSA Startup Funding Benchmark Report; Arab News (2025) The battle for talent: Saudi Arabia’s high high-stakes bet on human capital

14. In collaboration with Misk

15. In collaboration with Qualcomm, Aramco

16. In collaboration with KAUST

17. In collaboration with the National Academy for Industry

18. In collaboration with the Islamic Development Bank Institute (IDBI)

02 Access to capital

Saudi Arabia’s venture funding trajectory exemplifies access to capital¹⁹. Annual funding surged from ﷲ 240 million (USD 64 million) in 2018 to ﷲ 2.7 billion (USD 714 billion) in 2024. Also, multiple unicorns have emerged within the country. The growth reflects a confluence of three key factors: government-backed funding programs that de-risked early entry, wider presence of investors, tested exit opportunities that compensate investors.

Government-backed programs such as SVC have been central to accelerating the Kingdom’s venture capital ecosystem, as confirmed by multiple market practitioners. Acting as a market maker, SVC anchors private capital and de-risks early-stage investment, creating the conditions for a more vibrant and self-sustaining market. Its role extends beyond capital, encompassing investor training, connecting market practitioners, issuing VC market mapping reports, and supporting policy-advocacy efforts.

The number of investors participating in the Saudi ecosystem further reinforces this narrative of deepening capital. The count has more than tripled from 53 in 2020 to 173 in 2025 (Figure 2). This growth has been fueled by both domestic institutions and international funds, with non-MENA participation consistently increasing over the

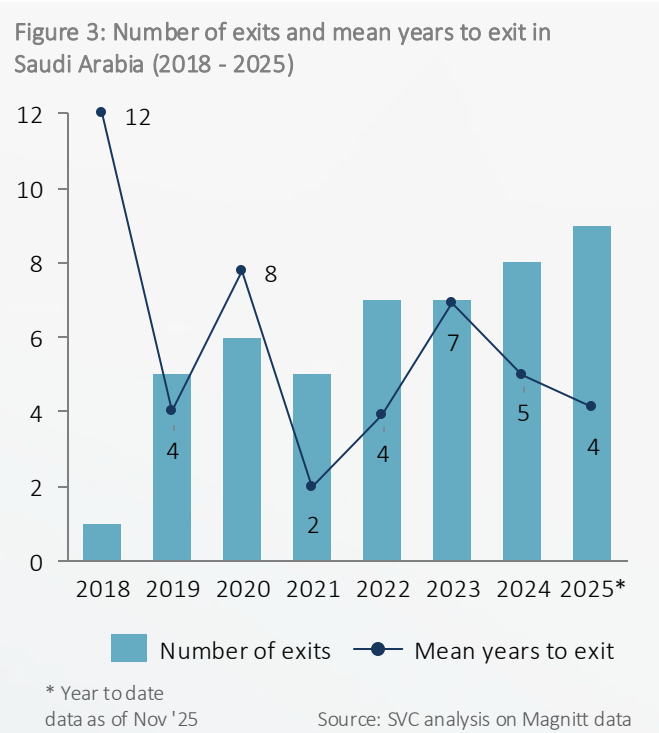
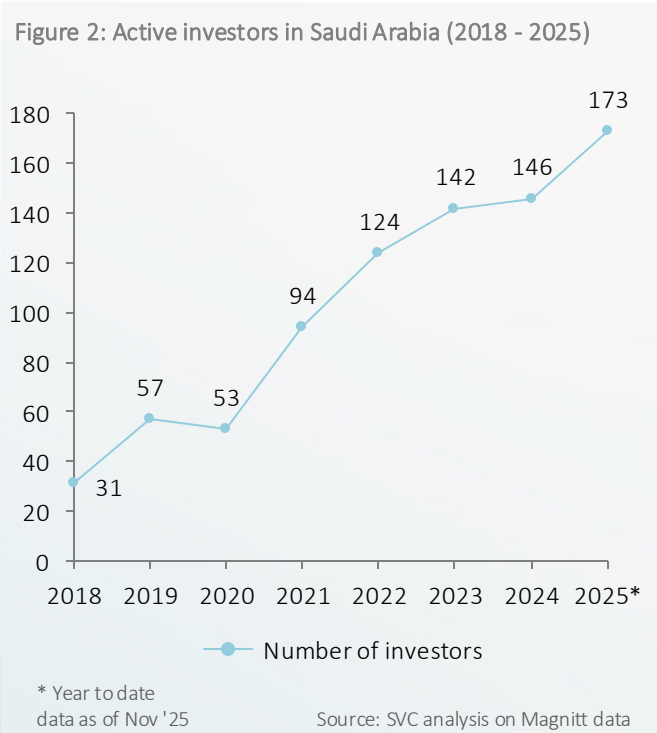
years. In the first half of 2025, one third of unique backers were international investors²⁰. The growing base of investors signals confidence in Saudi Arabia’s regulatory environment, its growing pool of investable startups, and the opportunities created by large-scale reforms under Vision 2030. The rise of new local VC funds, alongside the entry of global players, points to a market that is increasingly competitive. The expanding diversity of investors - angel groups, corporate venture arms, sovereign funds, and global VC names - positions Saudi Arabia as a market where VC can scale.

Saudi Arabia has also seen growing momentum in exit activity, signaling increasing maturity but from a still-nascent base (Figure 3). Exit volumes have fluctuated between 4 and 8 deals per year since 2018, with 9 already recorded so far in 2025. While the average time to exit has generally shortened compared to earlier years, this trend remains uneven, reflecting variability in scale and investor readiness. Examples include Jahez’s IPO in 2021 (first food delivery platform to list in the Kingdom), Rasan’s IPO in 2024 in the insurtech sector, Nice One’s 2025 listing in beauty e-commerce, Delivery Hero’s 2023 acquisition of HungerStation in food delivery, alrajhi bank’s 2024 acquisition of FinTech startups Drahim.

“What really moves a startup to the next level is exponential growth in cash balances and the ability to deploy them effectively”

- Saleh Alaqeel, Co-founder and COO at Abyan Capital





On top of that, in Saudi Arabia scale-ups have witnessed enlarged equity pathways. The Saudi Unicorn Program (SUP) supports international expansion and go-to-market; corporate venture arms such as Aramco Ventures and SABIC Ventures are supplying larger growth cheques; and Tadawul's Nomu provides a local listing route for SMEs and growth companies. Together these tools complement early-stage VC and strengthen the path to later-stage financing and exits.

Looking forward, for Saudi Arabia to further strengthen its venture capital ecosystem, it is essential to ensure funding availability across all stages of venture development. While early-stage financing has grown rapidly, later-stage capital remains limited, constraining startups ready to expand regionally or globally. Leveraging a wider mix of investors - such as institutional, corporate venture arms, and international funds - Saudi Arabia can translate its vibrant pipeline of early successes into mature, globally competitive companies that sustain long-term innovation and economic diversification.



“Exit prospects, be it in public and private markets, are becoming more promising compared to the last decade. That demonstrates the strength and maturation of the country’s home-grown companies as well as its capital markets, which are a draw for larger global investors looking for later stage opportunities”

- Ahmed Helal, Principal at TPG

Non-exhaustive list

Initiatives & entities providing access to capital

Private VCs













Government-backed private capital funds



Corporate VC arms





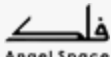
Government-backed development initiatives



Venture Builders



Angel investors



Incubators & accelerators



Private market investor association



Support platforms



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03 Physical and technical infrastructure



A thriving startup ecosystem depends on both physical and digital infrastructure that enables founders to innovate, collaborate, and scale efficiently.

Physical infrastructure includes innovation districts, co-working spaces, incubators, accelerators, and technology parks that provide affordable workspaces, laboratories, prototyping facilities, and access to shared resources. These environments foster proximity between entrepreneurs, investors, and researchers - accelerating learning and collaboration. Digital infrastructure, in turn, encompasses the connectivity, cloud computing, and data platforms that allow startups to build, test, and deliver digital products quickly and at scale. Reliable broadband, and open data frameworks reduce barriers to entry and make it easier for startups to reach customers and increase attractiveness.

Wadi Makkah Company, affiliated with Umm Al-Qura University, acts as a bridge between academia and the private sector, fostering innovation through investment, incubation, and commercialization in fields such as smart cities, health tech, and logistics. Monsha’at’s Thakaa Centers help SMEs and startups adopt emerging technologies like AI, data science, and IoT through both physical labs and virtual service.

The Center of Digital Entrepreneurship (CODE) serves as a nationwide enabler for digital ventures, offering acceleration programs, mentorship, and global exposure opportunities. It has supported over 17,000+ beneficiaries and 400+ startups within IT and digital sectors, which have in turn generated 1,200 new jobs²¹.



“Accelerators and incubators were instrumental in building connections, gaining mentorship, and learning through peer founders”

- Latifah Altamimi, Founder & CEO at Gathern

Together, these physical and digital foundations create the enabling environment that transforms innovation potential into sustainable business growth. In Saudi Arabia, there is a multitude of physical infrastructure which have been instrumental to develop the venture capital ecosystem.

The Garage, Riyadh’s flagship startup district, offers co-working spaces, acceleration programs, and investor access under one roof, creating an integrated environment for early-stage founders. Riyadh Techno Valley at King Saud University (KSU) and Dhahran Techno Valley at KFUPM link academic research with entrepreneurship, providing laboratories, incubation facilities, and corporate partnerships that help transform ideas into market-ready products.

Saudi Arabia is increasingly developing sector-focused infrastructure to channel innovation and investment into areas of national priority, ensuring that startups can grow within specialized, high-value environments. These hubs combine physical assets, research capabilities, and industry partnerships to accelerate commercialization in strategic domains.

For instance, the National Semiconductor Hub supports startups in chip design and advanced electronics by providing shared facilities, clean rooms, and technical expertise, strengthening the country’s foothold in deep tech and advanced manufacturing. OXAGON, NEOM’s industrial and innovation district, enables entrepreneurs to co-develop industrial solutions alongside multi-national partners.

“CODE is targeting startups from the idea stage to Series A through accelerators, incubators, office spaces, MVP labs, and mentorship - we already have eight labs, including one in Silicon Valley and hopefully, soon in London”

- Gala A. Alsalem, Project Manager at Ministry of Communications and Information Technology

21. Leaders MENA Magazine (2025) CODE Empowers 17,300 Beneficiaries to Advance the Digital Economy

The next step is to expand sector-specific infrastructure beyond the current focus areas. This includes strengthening service infrastructure that supports startups with regulatory guidance, pilot access, and lab time. Building stronger links between universities, corporates, and investors will help turn more research into investable ventures.

Extending the range of infrastructure across regions will also encourage broader participation. It will reduce concentration risks and ensure that the benefits of a dynamic startup ecosystem are shared more evenly across the Kingdom.

Non-exhaustive list

Initiatives & programs to develop physical and technical infrastructure			
			
Industry Collaboration Program (KICP)	The Garage (Riyadh Startup District)	SME Support Centers	Innovation Lab (FabLab)
Technology Licensing (lab-to-market commercialization)	Blink Lab	Thakaa Innovation Centers	Coworking Spaces
Research & Technology Park	WaferCatalyst		Wadi Makkah Ventures (Umm Al-Qura) - Tech Transfer & IP Commercialization - Nomow 2024 Business Incubator
			
Center of Digital Entrepreneurship (CODE)	National semiconductor hub	Riyadh Valley Company	Dhahran Techno Valley
			
MVP lab	Oxagon	King Salman Energy Park (SPARK)	Dammam Valley
			
Taibah Valley	Jeddah Valley		

04 Regulatory framework



Saudi Arabia has undertaken a broad and rapid regulatory overhaul, introducing more than 800 reforms since 2018²². These span company law, trade, investment, financial markets, and dispute resolution. Globally, the Kingdom sits within the top 30% for Regulatory Quality (2023) and top 20% for Government Effectiveness (2023) - a meaningful step-up in perceived policy clarity and delivery²³.

Saudi Arabia's regulatory modernization has been a cornerstone of its venture capital and startup ecosystem's rapid advancement. Over the past few years, a coordinated set of reforms across company law, capital markets, investment, and residency frameworks has significantly improved the ease of doing business and investor confidence. These measures have created a more predictable, transparent, and globally aligned regulatory environment, enabling both local and international players to establish, fund, and scale startups within the Kingdom.

Saudi Arabia's venture ecosystem is shaped by several key regulators that together define the business, investment, and innovation environment. The Ministry of Commerce oversees company formation and corporate law; the Capital Market Authority (CMA) regulates funds, investors, and capital market activity; and the Saudi Central Bank (SAMA) supervises financial innovation and payments. The Ministry of Investment (MISA) facilitates foreign participation, while the Premium Residency Center supports talent retention and long-term investor presence.

Ministry of Commerce has modernized incorporation through the Companies Law in 2023, introducing the Simplified Joint-Stock Company (SJSC) with single-shareholder capability and no minimum capital requirement for SJSCs. By combining single-shareholder formation, lighter corporate formalities, and recognition of shareholder arrangements under the new law, the framework materially reduces the need for startups to use offshore holding structures to achieve VC-friendly governance.

CMA has codified how Saudi-domiciled venture funds are formed and operated via the Investment Funds Regulations in 2025. It sets out licensed roles, compliance and disclosure standards, and fees/waivers, aligning practice with international norms and giving GPs/LPs a predictable path to authorization. CMA also updated the Rules for Foreign Investment in Securities, clarifying access for foreign investors and investment funds.

Since 2018, CMA also supports FinTech Lab, a regulatory sandbox focused on capital market activities, such as crowdfunding, securities trading, robo-advisory, investment platforms, and tokenized assets. It accepts applications in batches and has granted 50+ experimental permits to date – creating a supervised pipeline from pilots to full licensing with recent enhancements further modernized the funds rulebook.

CMA initiatives, including updated ownership rules and capital market reforms, have opened the door for international GPs and LPs to participate more easily in Saudi-based funds and deals, reflected in recent commitments from global managers such as Goldman Sachs Asset Management anchoring new Gulf-focused funds with PIF. Together, these reforms position Saudi as a leading destination for cross-border VC capital. In parallel, expanded exit routes – such as Nomu, the local parallel equity market for companies to be publicly listed – have created pathways for venture entry and liquidity.

Since 2019, Saudi Central Bank (SAMA) operates the Regulatory Sandbox Framework, a supervised, time-boxed environment for live testing in banking, payments, and Insurtech. It reports 25 companies currently operating in the sandbox, creating a predictable route from pilot to full authorization.

Ministry of Investment (MISA) has introduced the new Investment Law and Implementing Regulations in 2025, guaranteeing equal treatment of local and foreign investors and shifting many open-sector activities from licensing to registration - reducing entry frictions for foreign founders and managers.

“The regulatory landscape in the Kingdom of Saudi Arabia has undergone a major update over the past few years, which has been instrumental in attracting more local and foreign investment into VC-backed opportunities. As these investments continue to grow and mature, it is only a matter of time before further, market-driven changes will ensue to shape these new regulations and their enforcement and application in practice”

- Latham & Watkins

22. Fast Company Middle East (2024) Saudi Arabia implements over 800 reforms to drive rapid transformation

23. Trading Economics (2025) Regulatory quality percentile rank; Trading Economics (2023) Government effectiveness percentilerank

Since 2019, Premium Residency Center has expanded sponsor-free routes under the Premium (Privileged) Residency Law, enabling multi-year residency for investors, executives, and specialized professionals - an important tool to retain founders, GPs, and portfolio leadership within the Kingdom.

As Saudi Arabia’s venture ecosystem matures, the next stage of regulatory development should focus on integration, flexibility, and international alignment. The goal is to create a unified framework that enables capital and talent to flow seamlessly across the startup lifecycle. This could include clearer guidelines for cross-border fund participation, simplified processes for foreign founders and investors, and adaptive rules that adjust to company size and maturity. Introducing greater regulatory agility - through faster licensing, standardized deal structures, and coordinated oversight - would reduce friction and increase investor confidence.

At the same time, expanding innovation-friendly regulation to multiple sectors would ensure that the ecosystem remains open to emerging industries. Together, these steps would position Saudi Arabia not only as a regional hub for venture capital but as a globally competitive platform for innovation-driven investment.

Non-exhaustive list

Initiatives & programs to improve regulatory framework



البنك المركزي السعودي
SAMA
Saudi Central Bank

Regulatory Sandbox Framework



هيئة السوق المالية
Capital Market Authority

FinTech Lab/
Experimental Permit



منشآت
monsha'at
الهيئة العامة للمنشآت الصغيرة والمتوسطة
Small & Medium Enterprises General Authority

SME Regulations &
Policy Advocacy



وزارة الاستثمار
Ministry of Investment

Investment Law and
Implementing Regulations



Investment Funds
Regulations



مركز الإقامة المميزة
THE SPECIAL RESIDENCE CENTER

Premium (Privileged)
Residency Law



وزارة التجارة
Ministry of Commerce

Business startup services



اتحاد الغرف التجارية السعودية
Federation Of Saudi Chambers of Commerce

SME Market Access &
Business Councils



هيئة الزكاة والضريبة والجمارك
Zakat, Tax and Customs Authority

SME tax/
e-invoicing reforms



الهيئة العامة للمنافسة
General Authority for Competition

Competition Compliance &
Exemptions Framework



المركز السعودي للأعمال
Saudi Business Center

One-Stop Business Setup &
Licensing Platform



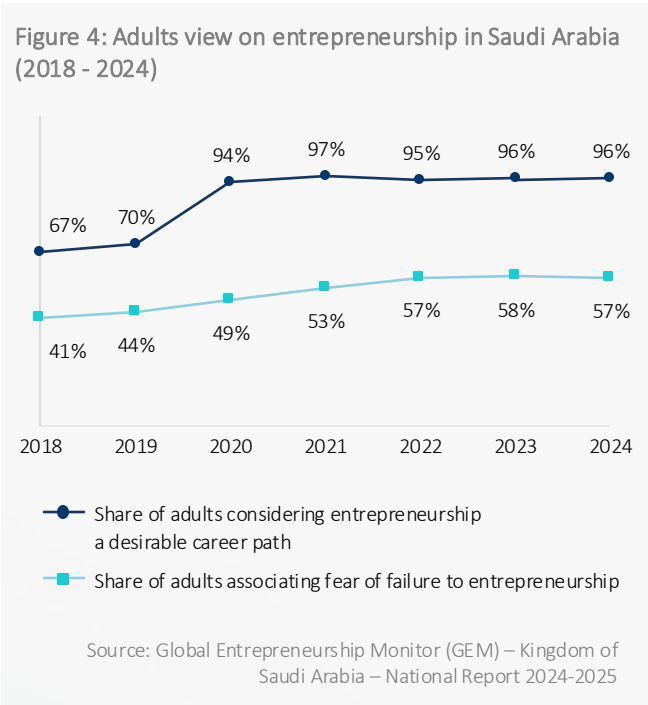
الهيئة السعودية للملكية الفكرية
Saudi Authority for Intellectual Property

IP Protection & Fast-Track
Services for Startups

05 Risk-taking culture

Risk-taking culture is the set of shared values, attitudes, and behaviors in a society that encourages innovation and the pursuit of new business creation.

In Saudi Arabia, public attitude towards entrepreneurship has improved in recent years; 96% of adults view entrepreneurship as a desirable career path (vs. 69% in 2017), and 93% of them feel confident in starting a business²⁴ (Figure 4). This is corroborated by the fact that Antler’s Saudi cohorts are among its most subscribed globally.



Multiple activities, including media, podcasts, public hackathons, demo days make entrepreneurship part of the mainstream and turn innovation into an open, participatory activity. Annual conferences and events, such as tech-focused LEAP, provide a national stage where startups, entrepreneurs, investors, corporates, and policymakers come together²⁵. Other flagship gatherings include BIBAN (Monsha’at’s national SME/startup forum), Misk Global

Forum (event on the future of work, innovation, and global collaboration), Seamless Middle East – Riyadh (conference and exhibition on payments, FinTech, retail, and e-commerce), FinTech tour by Money 20/20 (series of events and workshops that connect financial technology innovators, investors, and regulators). These events create opportunities for startups to showcase products, secure funding, connect with global partners, while also exposing the wider public to entrepreneurs and their success stories.

Culture determines whether policy and capital translate into company formation. Societies that celebrate risk-taking, tolerate failure, and recognize achievement generate more first-time founders and more diverse participation. For instance, Singapore and the UK show how national programs like accelerators and demo days put founders in the public eye and help normalize entrepreneurship as a respected career path.

These initiatives also create powerful talent-exchange platforms that improve startup survival and follow-on outcomes. In Saudi, the narrative around entrepreneurship has shifted - peer communities, founders’ communities such as 24six7, and locally produced media amplify practical playbooks, while large-scale convenings and public hackathons turn innovation into a visible, participatory activity.

Yet, challenges remain; first, fear of failure in starting a business impact the mindset of the majority of the population (Figure 4)²⁶. Second, participation gaps for women and youth persist in rural areas due to barriers in accessing networks, mentorship, and growth capital. The priority now is to turn enthusiasm into participation everywhere: deepen inclusion for women and youth, expand role-model visibility beyond the capital, and layer risk-sharing mechanisms that mitigate downside for new founders. Doing so will widen the road from interest to action, strengthen regional depth, and power a culture that sustains formation and scale across the distributed cluster economy the country is building.

“Founders long relied on support from family and friends; today founder circles are emerging as a vital support layer, and psychological safety is increasingly recognized”

- Ahmed Hamdan, Co-Founder at Unifonic

04.

Sectoral and geographic dynamics

Sectoral distribution of Saudi's VC ecosystem

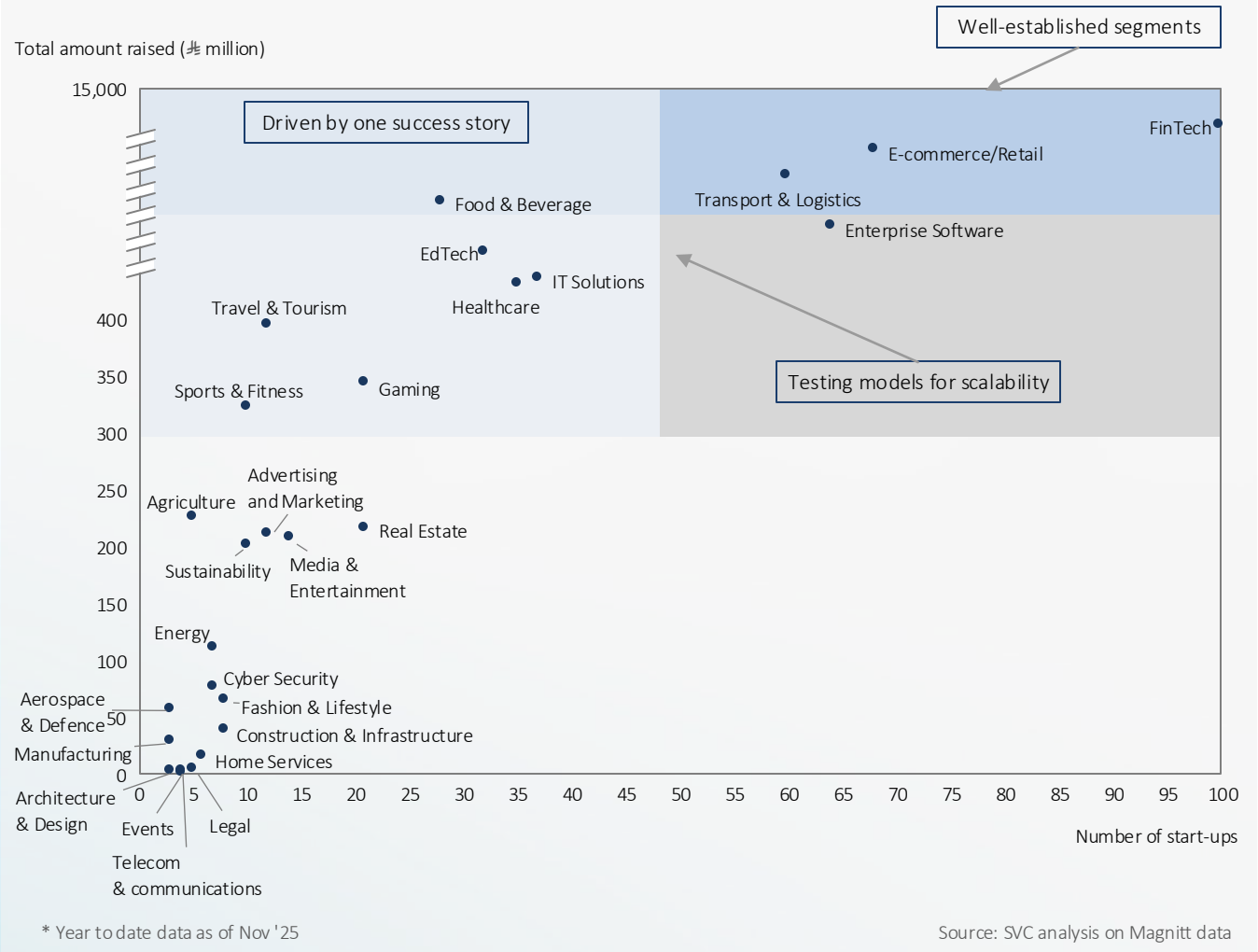
Saudi Arabia’s venture ecosystem shows a concentration of startups and funding in sectors where access to capital, regulation, infrastructure, culture, and talent align (Figure 5).

FinTech, e-commerce, and transport and logistics show both high total funding and a large number of companies. Enterprise software and IT solutions have many companies but comparatively lower total funding, reflecting earlier-stage adoption and smaller average check sizes. Most other sectors cluster in the mid band with moderate company counts and modest funding totals, indicating models that are still scaling.

FinTech has emerged as the leading sector, with 100 companies and total funding of almost ﷲ 15 billion (USD 4.0 billion). Access to capital is visible in the dominance of scale-heavy models such as payment solutions, which alone account for more than ﷲ 10.7 billion (USD 2.9 billion) funding, roughly 72% of total FinTech funding.

Crowdfunding and alternative investment platforms add additional ﷲ 3.3 billion (USD 880 million), highlighting investor appetite for models that generate network effects once regulatory approvals are secured. This capital concentration is made possible by regulatory quality: SAMA's sandbox, open banking frameworks, and predictable licensing regimes have reduced compliance risk, enabling payments, lending and wealth management firms to move quickly. Infrastructure has been decisive, as the rollout of instant payment systems and the widespread use of point-of-sale terminals accelerated monetization for startups. By 2024, POS terminal density exceeded 50 per 1,000 people - ahead of UK, US and China - supporting ﷲ 668 billion (USD 178 billion) in POS transaction value²⁷. Additionally, Saudi consumers and merchants have rapidly embraced digital payments, with adoption rates above 70% of retail transactions, creating clear demand signals that boosts investor confidence. Finally, talent availability has mattered: FinTech firms benefit from a pipeline of professionals joining from established traditional banks and financial institutions, thus bringing compliance, credit and risk management expertise into the startup ecosystem.

Figure 5: Total startups in Saudi Arabia, by sector (2018 - 2025*)



E-commerce, with almost 70 companies raising over SAR 5.7 billion (USD 1.5 billion), has followed a similar trajectory. Highest access to capital occurred when business model is scalable: electronic marketplaces and e-retailing jointly capture more than 75% of sector funding. From regulatory perspective, 2019 E-Commerce Law and 2020 Implementing Regulations set clear consumer protection and disclosure obligations for online sellers, thereby clarifying the rules for online transactions²⁸. Infrastructure is gradually deepening beyond storefronts into the enablers of digital commerce. Market segments such as wholesale platforms, e-commerce builders, and stock management solutions collectively account for more than SAR 1.3 billion (USD 360 million) in funding, showing that investors are backing scalable retail opportunities. Also, talent pool is expanding, as professionals with experience in last-mile logistics, dark store operations, and category management become increasingly interested into new ventures.

Transport & Logistics has over 60 startups and has raised almost SAR 2 billion (USD 530 million). Activity is led by supply-chain management and last-mile delivery, which together account for half of all ventures in the sector. Growth is reinforced by the National Transport and Logistics Strategy, digital freight initiatives, and port modernization, which reduce delivery times and improve efficiency.

Enterprise software is also one of Saudi’s most active sectors: 60+ funded firms and more than SAR 1.1 billion (USD 310 million) in investment value. Funding skews to CRM and workforce solutions; CRM accounts for 61% of total funding, mostly due to the funding rounds of customer engagement platform Unifonic. On the other hand, HR management software accounts for 17% of total funding, majority derived from HR and payroll software maker Jisr.

This signals a transition towards enterprise digitalization: cloud adoption, e-invoicing, and workforce digitization are driving demand, but procurement remains slow and exit proof points are thin.

IT Solutions hosts approximately 40 startups which have collectively raised about SAR 430 million (USD 115 million), reflecting a broad but early-stage market. Most ventures focus on development tools, DevOps, and data management, providing critical infrastructure for enterprise digitization. Funding levels remain modest because offerings are largely service-based rather than productized, but government initiatives like the Cloud First Policy, NTDP programs, and CST’s cloud regulations are accelerating adoption. As firms shift from implementation services to platform-led and product-driven models, the segment is expected to gain scale and move up the funding curve.

Other sectors include less than 40 startups and showcase different degree of funding levels. For instance, food and beverage has attracted more than SAR 1.2 billion (USD 335 million), despite including only 27 startups. This has been due to sizeable rounds raised by Jahez and Foodics. Other sectors – such as agriculture, defense, deep tech, tourism, gaming – remain at an earlier stage of their venture development, despite having strong growth potential given broader national priorities.

Sectoral clusters often form around city-specific advantages where universities and research hubs educate talents, talents engage with local firms, talents are mentored, and are well positioned to build new businesses, allowing know-how and networks to spill over and compound locally.

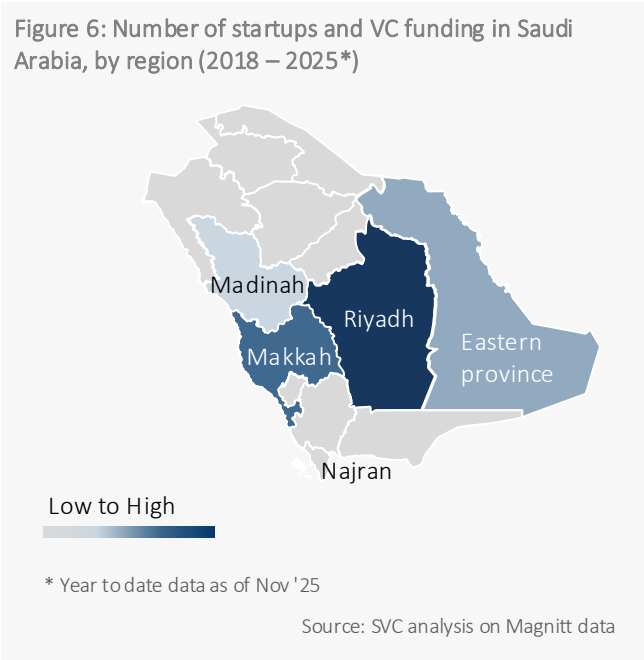


28. Digital Policy Alert (2020) Saudi Arabia: Implemented Implementing Regulations of ECommerce Law including consumer protection regulation

Saudi’s regional startup ecosystem

The map of Saudi Arabia’s startup ecosystem is rapidly evolving. While Riyadh has long been the dominant hub of startup activity, other cities have begun to leverage their unique histories, industries, and geographic advantages to carve out sector-specific niches. This polycentric growth reflects the Kingdom’s Vision 2030 ambitions, which encourage diversification, digital transformation, and the creation of a competitive, innovation-driven economy.

Figure 6: Number of startups and VC funding in Saudi Arabia, by region (2018 – 2025*)



Riyadh – The core of national ecosystem

The capital remains the centerpiece of the national ecosystem. Most the country's startups founded since 2018 are based in Riyadh²⁹, cementing it as the hub of venture dynamism (Figure 6). This early-stage vibrancy is supported by a strong presence of angel investors, university spinouts, and accelerators, such as The Garage (Riyadh Startup District) and Riyadh Techno Valley (KSU). This is furthered due to Riyadh's status as the financial and political capital, where most banks, regulators, and large corporates are headquartered. The result is a fertile environment where bold ideas and talent transform into viable ventures.

Riyadh has been very active in digitally enabled, transaction-heavy sectors such as FinTech, e-commerce, transportation and enterprise software (Figure 7 and 8). FinTech leads the momentum - with NearPay, Tamara, Tabby, and Muwazana - supported by SAMA’s Regulatory Sandbox and the CMA FinTech Lab. The geographic concentration of decision-makers, financial institutions, and investors has created stronger networks, faster pilot opportunities, and better access to customers.

With FinTech alone capturing majority of funding in Riyadh, the city is positioning itself as the region’s leading financial technology hub, while also attracting entrepreneurs from across MENA seeking access to deeper capital pools, stronger institutional support, and a larger customer base. In parallel, e-commerce and enterprise software players such as Sary and Ninja are scaling on the back of deep demand and mature logistics.

Figure 7: Active startups, by geography and sector (2018 – 2025*)

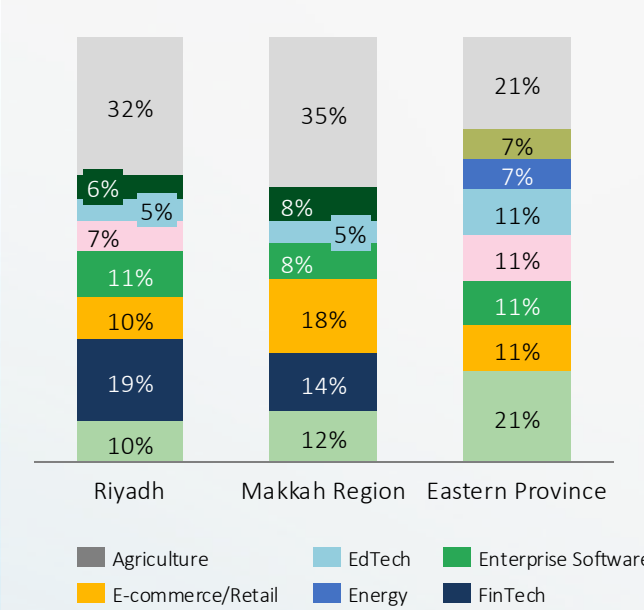
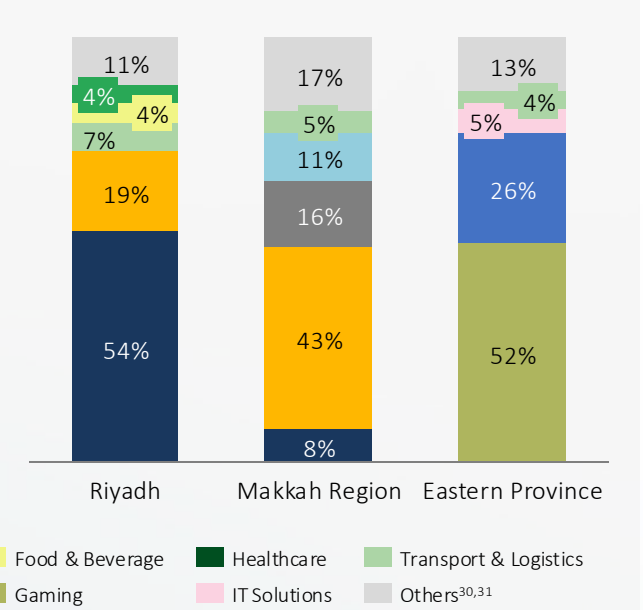


Figure 8: VC funding, by geography and sector (2018 – 2025*)



29. SVC analysis
30. For Figure 7, 'Others' mostly includes: Riyadh - Food & Beverage, Real Estate, Gaming, Media & Entertainment, Advertising and Marketing, Travel & Tourism; Makkah Region - Sports & Fitness, Sustainability, Aerospace & Defence, Food & Beverage, Agriculture; Eastern Province - Energy, Gaming
31. For Figure 8, 'Others' mostly includes: Riyadh - EdTech, Healthcare, IT Solutions, Travel & Tourism, Sports & Fitness; Makkah Region - Aerospace & Defence, Food & Beverage, Advertising and Marketing, Manufacturing; Eastern Province - E-commerce/Retail, Cyber Security, Home Services

Makkah region – A growing commerce hub

Jeddah is beginning to channel its logistics and trade heritage into startup growth, given its port infrastructure and proximity to global shipping routes. Supported by initiatives such as the Jeddah Initiative Hub (JHUB) and the Jeddah Central Project, the city is fostering activity in transport, logistics, and e-commerce. Startups such as WheeKeep, Salla, and Ejaro are adapting Jeddah’s trade-led legacy to meet the logistics demands of the modern economy. While Riyadh dominates in size, Jeddah’s commerce-led ecosystem is carving out a distinct identity grounded in its role as a trade and e-commerce hub. Agriculture has also started gaining traction, given the commercialization effort of researches carried out at KAUST by iyris and Natufia Labs. Makkah, as the spiritual hub of millions of annual pilgrims, has seen the rise of early-stage travel-tech and hospitality startups designed to enhance the pilgrimage experience.

The Eastern Province – Balanced sectors

Startup activities in the Eastern province are substantially lower compared to both Riyadh and Makkah region. Despite local presence of national champions within energy sector, the Eastern provinces sees a relatively balanced presence of startups across sectors. However, VC funding haven mostly driven by two transactions. The first one is part of the gaming sector and it refers to the sale of game development studio Kammelna to Impact46. The second notable transaction is the Series B round raised by Immensa Technology Labs within the energy sector.

Other Regions

Other cities are also beginning to contribute to the national ecosystem. Madinah is fostering knowledge-driven ventures aligned with its religious and cultural significance. Activity in the northern and southern regions remains nascent, with lower startup density and limited VC deployment.

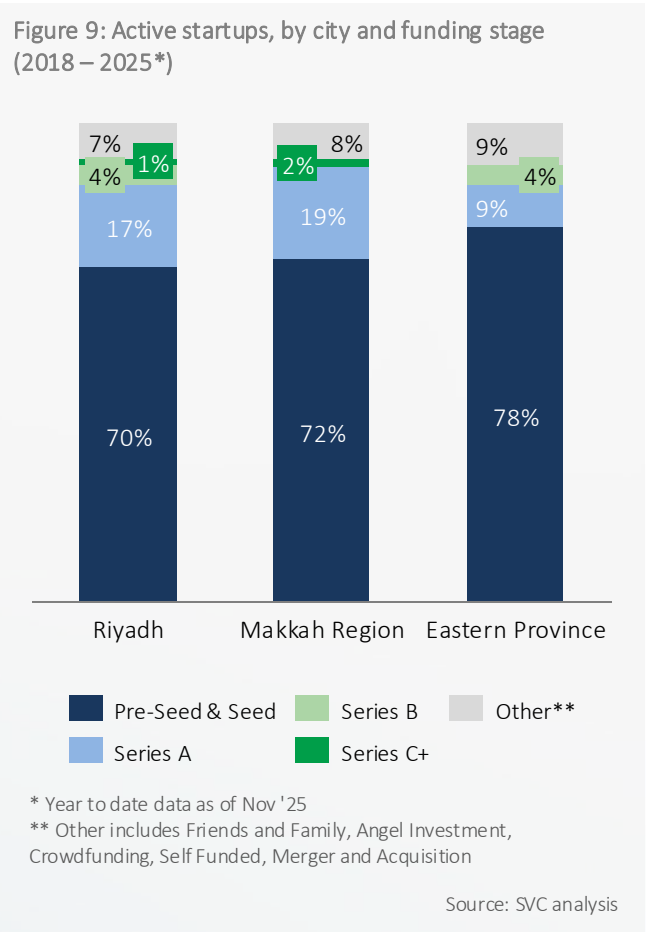
The next stage of progress will depend on how effectively these hubs are connected - through shared infrastructure, capital mobility, and coordinated innovation frameworks. If these linkages are strengthened, Saudi Arabia could transition from a concentrated startup scene into a nationally integrated innovation economy - one capable of generating sustained growth, regional leadership, and globally competitive ventures.

Funding stage breakdown of Saudi Arabia's startups

Saudi Arabia’s startup funding mix is early-stage heavy, which is typical of an emerging ecosystem (Figure 9). Moreover, many startups struggle to progress beyond the initial phase, which helps explain the predominance of early-stage funding in the market.

Riyadh is dominated by pre-seed and seed ventures, which account for about 70% of the total startups. This concentration shows that company formation and initial fundraising are still the primary engine of activity. This is also in line with Makkah Region and Eastern Province, where pre-seed and seed stages respectively account for 72% and 78% of the total startups. Overall, the Kingdom’s ecosystem is weighted toward pre-seed and seed companies, but there are clear signs of progression. Series B and C+ rounds are beginning to appear, and the first mergers and acquisitions point to early movement in exits. This balance between a broad early-stage base and a slowly emerging later-stage track is characteristic of a young venture market on the cusp of maturity.

The dominance of early-stage companies shows strong founder activity, but sustainable growth will depend on strengthening the later-stage funding environment. Building more Series A and B capacity, encouraging specialized investors, and creating clearer exit pathways will be critical for recycling capital and talent. The next step for Saudi Arabia is to ensure that its deep pool of seed-stage startups has the capital, expertise, and market access to scale, turning today’s early-stage momentum into tomorrow’s globally competitive companies



05.

Future outlook and pathways



Saudi Arabia's venture landscape has reached an inflection point. Years of reform, growing investor participation, and targeted experimentation have shifted the market from nascent to regional leader. The foundational pillars - talent, capital, infrastructure, regulation, and culture - now reinforce each other, with initiatives already in motion and a visible pipeline of ventures set to scale.

A new generation of skilled Saudis is driving the rise of new ventures across the Kingdom. With a youthful population and rapidly expanding technical and managerial capabilities, the Kingdom is nurturing one of the largest startup-ready talent pools in the region. Universities, executive-education programs, and targeted reskilling schemes are producing founders, operators, and functional experts equipped for high-growth environments, ensuring ventures are not only launched but professionally run and globally competitive.

Talent is met by a maturing capital continuum. Public-private platforms have expanded access across every growth stage. The presence of international GPs has grown steadily, while local corporate arms are stepping into later rounds to close the scale-up gap. These instruments will channel greater volumes of capital into the market, generating steady exits and recycling wealth and experience back into the venture loop.

Supporting this expansion is an increasingly sophisticated network of physical and technical infrastructure that anchor research and commercialization. Innovation districts such connect founders, researchers, and corporates, while specialized hubs translate industrial expertise into market-ready ventures. As these nodes link more tightly through shared services and cross-regional collaboration, the pipeline of investable companies will widen and diversify.

Policy clarity and regulatory quality now underpin this progress. The momentum ahead lies in broadening the existing flexibility so that new businesses move at the speed of innovation. This adaptive environment continues to signal to global investors that Saudi Arabia is an open, predictable, and innovation-friendly market.

Cultural change has been equally transformative. Entrepreneurship is now viewed by nearly all Saudis as an aspirational career path. Founder networks, peer communities, and localized accelerators have normalized risk-taking and failure as essential steps toward success. This social acceptance is reinforcing the flow of experienced founders who re-enter the ecosystem as mentors and investors, ensuring knowledge and capital are continuously recycled. Expanding participation of women, youth, and founders beyond the capital will deepen inclusivity and sustain the national spirit of experimentation.

Regionally, the ecosystem is evolving from a single-city hub into a distributed network of complementary strengths. Riyadh remains the financial and enterprise nucleus, while Jeddah channels its trade heritage into commerce and logistics innovation. The Eastern Province has balanced presence of sectors, while Madinah and Makkah are emerging as centers for cultural and service-based ventures. Linking these regional hubs through capital pathways, mobility programs, and shared infrastructure will balance growth and extend opportunity nationwide.

Taken together, these forces position Saudi Arabia for a decade of compounding returns. With initiatives now established across every pillar of the ecosystem, the country is entering a period where talent, capital, and ideas converge seamlessly. The outlook is one of confidence and continuity: a strong, steadily growing pipeline of ventures ready to scale from Saudi cities to global markets, cementing the Kingdom's role as the region's enduring engine of innovation and investment.

Term	Definition
Accelerator	Program that supports early-stage startups through mentorship, funding, and access to investors over a fixed period
Exit	A liquidity event where investors realize returns, typically through an acquisition, merger, or IPO
General Partner (GP)	Fund manager responsible for investing capital and managing venture funds
Incubator	Organization providing startups with workspace, mentoring, and early support to refine their business ideas
IPO	The process by which a private company offers its shares to the public on a stock exchange for the first time
Limited Partner (LP)	Investor providing capital to venture or private equity funds
MCIT	Ministry of Communications and Information Technology
Mega deals	Venture capital funding rounds exceeding USD 100 million (~ 375 million)
Middle East and North Africa (MENA)	Group of countries which includes Saudi Arabia (KSA), United Arab Emirates (UAE), Egypt, Oman, Kuwait, Morocco, Bahrain, Jordan, Algeria, Lebanon, Yemen, Iraq, Libya, Palestine, Qatar, Syria, and Tunisia
Minimum Viable Product (MVP)	The most basic version of a new product, which includes enough features to be usable and satisfy early customers. It allows startups to validate the product idea
Nomu	Saudi Arabia's parallel equity market with lighter listing requirements than Tadawul, designed to provide SMEs and growth firms with IPO pathways
NTDP	National Technology Development Program, a Saudi Arabian government initiative launched in 2020 to support the Kingdom's information technology (IT) sector and position it as a global tech hub by 2030
Proof-of-concept	An experiment or demonstration that verifies the feasibility and viability of an idea, product, or technology in a real-world setting

Term	Definition
RDI	Acronym for Research, Development and Innovation. These form a connected process where research gathers new knowledge and understanding, development uses that knowledge to create new or improve existing products, services, or processes, and Innovation is the successful implementation of these new ideas to meet market needs and generate value
Scale-up	A startup that has validated its business model and is entering a growth or expansion stage
Science, Technology, Engineering and Mathematics (STEM)	Umbrella term for technical disciplines, commonly used in the context of education policy and curriculum choices
Seed stage	An early-stage of startup financing used to validate business ideas and develop prototypes
Small and Medium Enterprises (SMEs)	Businesses within revenue and headcount thresholds: Micro (1–5 employees, ≤3M ₪ revenues), Small (6–49 employees, >3M–40M ₪ revenues), and Medium (50–249 employees, >40M–200M ₪ revenues)
Startup	A newly formed company offering a scalable product/service for regional or global markets, with a defined path to monetization
Tadawul	Saudi Stock Exchange
Technical readiness levels (TRLs)	Standardized scale used to assess the maturity of a technology - from initial concept development to full commercial deployment
Technology Transfer	The process of converting academic or research-based innovations into marketable products or startups
Venture Capital (VC)	Equity investment in startups and early-stage businesses with high growth potential, typically in technology and innovation
Venture Debt	Loans provided to venture-backed startups, typically as a complement to equity financing

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, positioning itself as a market maker through investments in funds and direct investments in startups and SMEs. Since inception, SVC has backed 62 Private Capital Funds (Venture Capital, Private Equity, Venture Debt, Private Debt) that supported 1,000+ Startups and SMEs.

Venture capital

MEVP global.ventures propeller MSA 和玉资本
RAED VISION VENTURES سادو المالية SADU CAPITAL HALA outliers
S sukna ventures Merak Capital SHOROOQ PARTNERS نوا نوا CAPITAL STV
500 impact46 ICONIQ salica RUA GROWTH FUND SEEDRA VENTURES EMKAN CAPITAL
endeavor CATALYST ARZAN VENTURE CAPITAL VALOR ACCESSBRIDGE VENTURES ARTAL
BECO CAPITAL sharaka شراكة BITKRAFT VSQ

Accelerator and startup studio

FLAT6LABS
ANTLER
500
techstars

Private equity

جدوى للاستثمار JADWA INVESTMENT ALPHA CAPITAL ألفا المالية GENERAL ATLANTIC ewpartners
KHARIZMI PARTNERS K1 INVESTMENT MANAGEMENT TVM Capital
GCC ASIA GROWTH FUND OliveRock Partners INVESTCORP ALIPH

Private and venture debt

PFG PARTNERS for GROWTH
Ruya Partners
Janus Henderson INVESTORS

Direct investment

SUPPLYFIED لين LEAN TAKER مرن MARN دكان أفكار darter pi سلة salla PetroApp
LUCIDYA lucid insights منافع Manafa تلفاز 11 Telfaz 11 tabby unifonic Your Communication Code
احسبها EHSIBHA noon نون اكاديمي قهيم MONH هادس HADSAH ساري SARAY GOLDEN SCENT قولدت سنت HYPER PAY سيارة
تلقاني Telgani قيوود Qoyod بونات bonat Caramella NOTA NOTA نوتا نوتا nana direct THEMAR PHYSIO HOME TGC مخازن العناية Makhszen Alenayeh
QUANTUM B8ak بيتك B8AK BARQ eventful نطبق قصور سيفا - NQOODLET بارايا Baraya HALA NearPay
stitch tamara rewaa