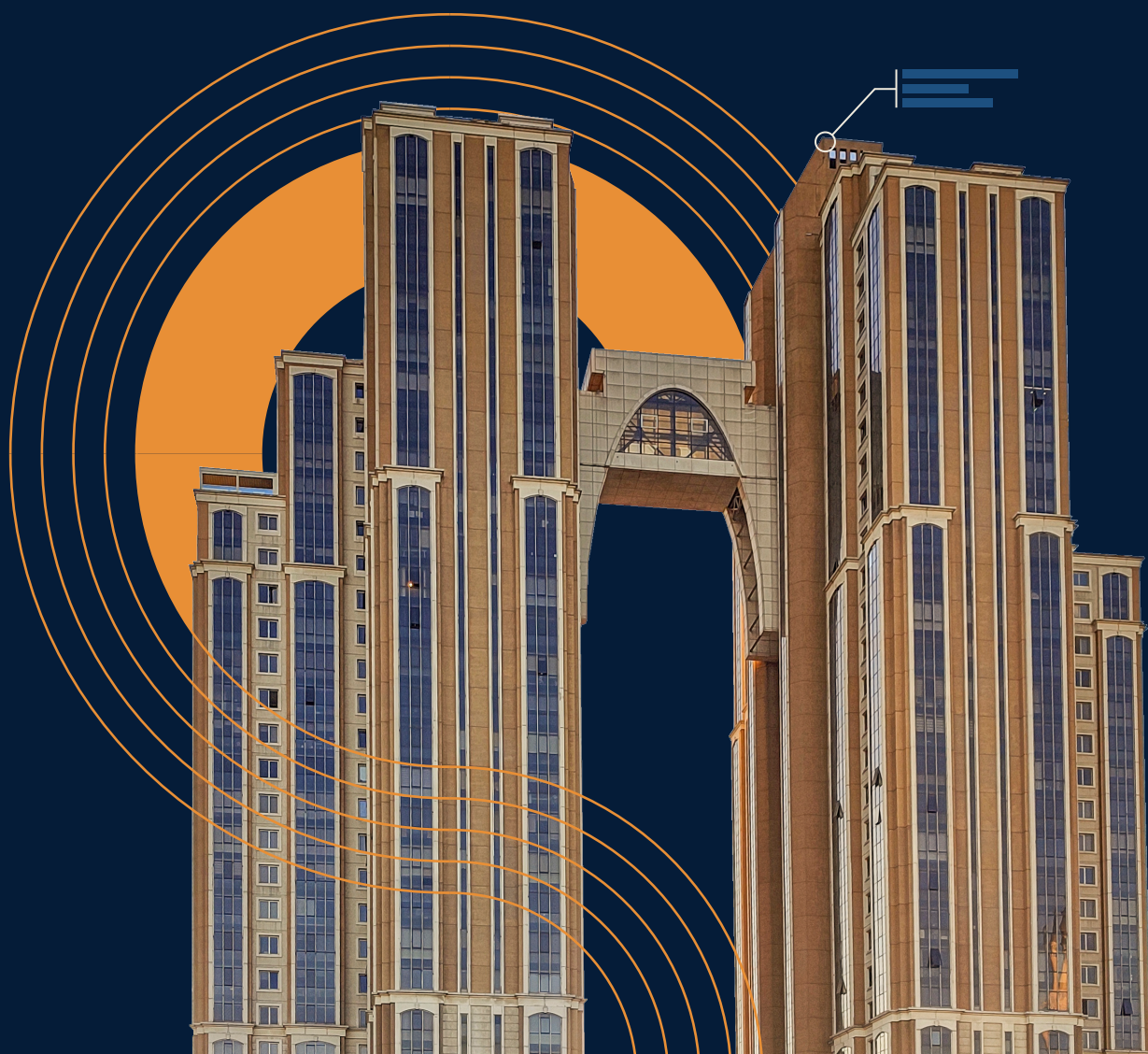




MENA

# Private Capital Breakdown



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# Introduction

## Dealmaking

PE and VC deal activity in the Middle East & North Africa (MENA) reflected broader market trends in 2024, driven by economic shifts, changes to the investment climate, and evolving regional priorities. While PE and VC deal activity declined YoY, investor confidence rebounded in Q4, demonstrated by an uptick in activity despite global headwinds. VC dealmaking displayed shifts in regional investment landscapes. Saudi Arabia's increasing prominence as a VC hub signifies a broader pivot towards economic diversification and government-backed initiatives fostering innovation. Meanwhile, Turkey's introduction of a tech visa aligns with efforts to attract skilled talent and boost the startup ecosystem, reinforcing the region's competitiveness in technology-driven sectors. Tech investments continued to be a bright spot, illustrating digital transformation and the rising importance of fintech, IT, and digital payments. The growing interest in these sectors aligns with global trends, where technology and software remain focal points for investors. Cross-border investment flows highlight MENA's integration into the global financial ecosystem, with capital moving both into and out of the region. The increased activity of MENA-based investors in North America and Europe suggests a broader strategy of diversification and market expansion. Similarly, despite economic uncertainties, foreign investors' sustained interest in MENA demonstrates the region's growing appeal as an investment destination.

## Exits

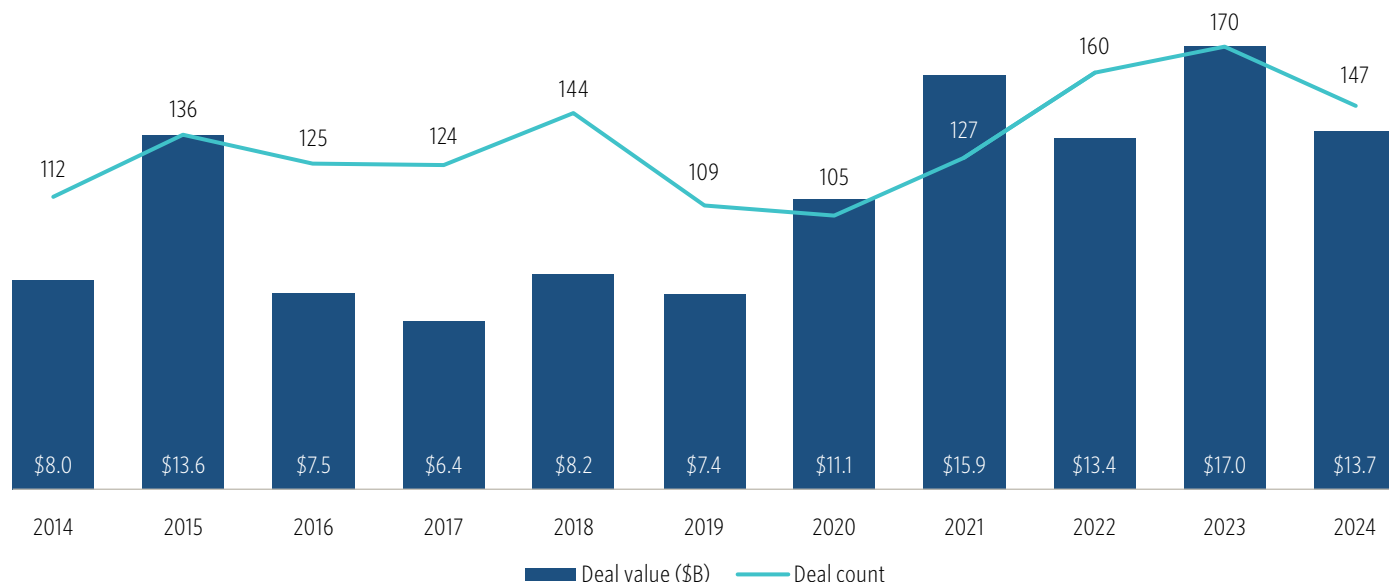
Exit activity in MENA declined in 2024, reflecting global headwinds, including inflation and geopolitical uncertainties. PE-backed exit value saw a significant decrease, while VC exit value remained stable. However, a strong recovery in H2 2024, in which the majority of annual exit value was realised, suggests improving conditions for 2025. Public listings continued despite the slowdown, with notable listings from Arabian Mills (on the Saudi Exchange), Turkey-based Oba Makarna, and BinBin. Investor sentiment towards public listings remains cautious due to post-COVID valuation challenges, but an improvement in market conditions could lead to more debuts in 2025.

## Fundraising

Private market fundraising in MENA declined in 2024, with fewer funds closing, but the amount of capital raised in PE and VC funds grew. Larger institutional investors continued to support major fund closures. Sectoral shifts emerged with education and real estate funds closing. Opportunities for cross-border innovation between MENA and Southeast Asia also helped fundraising figures. Looking ahead, we expect MENA's private market fundraising to grow, driven by regional tech hubs, strategic partnerships, and government-backed initiatives. While global uncertainties persist, favourable business policies and diversified asset-class investments should support continued fundraising momentum in 2025.

# Dealmaking

## PE deal activity



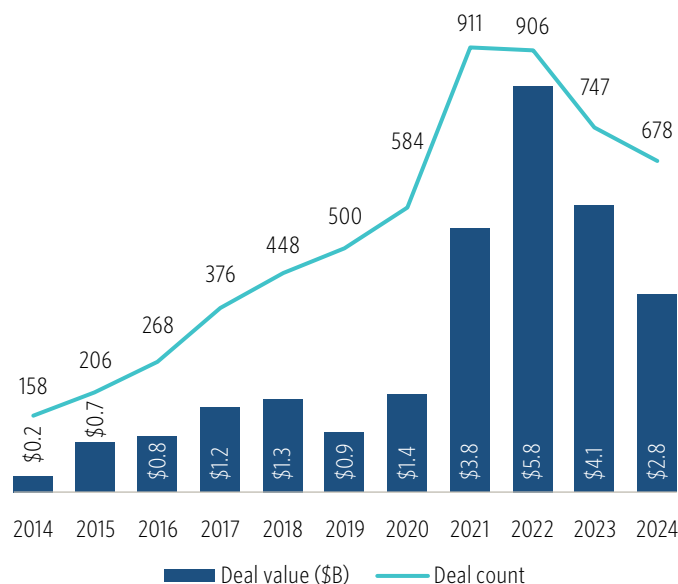
Source: PitchBook • Geography: MENA • As of 31 December 2024

## PE and VC deal activity close out 2024 strongly

In 2024, MENA PE deal activity reached \$13.7 billion across 147 transactions, down 19.2% and 13.5% YoY, respectively. While slower dealmaking was apparent on an annual basis, 2024 marked the fifth consecutive year PE deal value surpassed the \$10 billion mark in the region. By comparison, deal value exceeded \$10 billion just once between 2014 and 2019, pointing towards growth in long-term capital deployment within the asset class. Further positive signs emerged in 2024 with momentum in deal value and count. In Q4 2024, PE deal value grew to \$3.7 billion across 43 deals, up 29.7% and 10.3% QoQ, respectively.

Overall VC dealmaking dipped to \$2.8 billion, decreasing by one-third YoY. At the same time, VC deal count fell 9.2% YoY to 678. Trends between PE and VC are comparable, as a tougher funding environment riddled with weaker growth and unfavourable financing conditions has dried up activity in recent quarters. Despite challenges, Q4 2024 MENA VC deal value landed at \$1.2 billion, its highest level since Q4 2023. Moreover, the latest quarterly figure has only been eclipsed four times in the past 24 quarters, a further sign of promise. A large component fuelling the Q4 figure was the \$500 million round secured by Turkey-based Insider. US-headquartered General Atlantic led the investment, and the capital will support Insider's development of marketing software and research & development for AI.

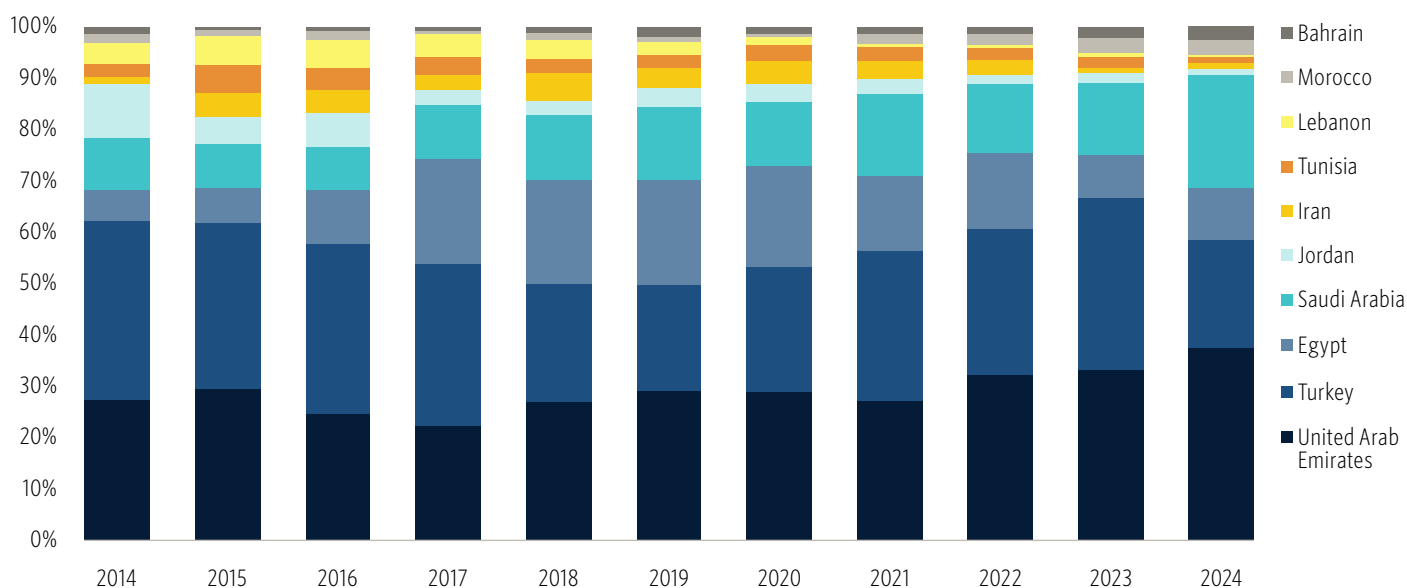
## VC deal activity



Source: PitchBook • Geography: MENA • As of 31 December 2024



## Share of VC deal count by 10 most active countries



Source: PitchBook • Geography: MENA • As of 31 December 2024

### Saudi VC deal count is on the rise

The majority of VC deals from 2021-2023 in the MENA region were in the United Arab Emirates (UAE) and Turkey, with over 200 deals taking place in both countries each year. However, we have seen a change in the composition of VC deal count. In Turkey, 2024 deal count dropped 42.7% YoY to 137. Conversely, Saudi Arabia saw a 41.6% YoY increase to 143 in 2024. Deal count in Egypt has also dropped from over 100 deals annually between 2020 and 2022 to under 70 per annum between 2023 and 2024. Fewer deals taking place in Egypt and Turkey and higher quantities of rounds in Saudi Arabia over the past few years indicate that VC footprints are shifting in MENA. The Saudi Arabia VC ecosystem is opening up, and we expect activity levels in the country to continue to grow with initiatives underway to promote investment.

### Turkey tech visa opens up opportunities

One of the largest PE deals in 2024 saw Temasek invest \$950 million into visa application services company VFS Global. Temasek will join existing shareholder Blackstone among others. Travel demand has picked up since the COVID-19 pandemic, and VFS Global experienced a 15% rise in visa applications in 2023 versus 2022 as well as 145% growth since borders reopened after pandemic-related lockdowns.<sup>1</sup> Alongside the pickup in recreational

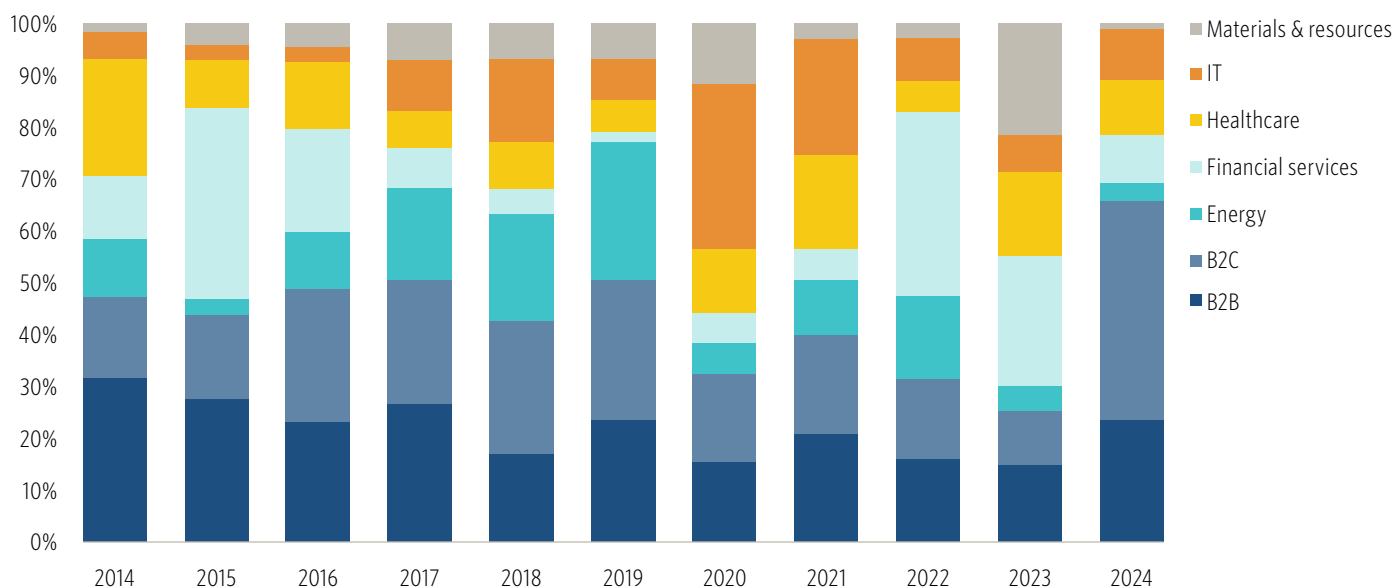
travel, favourable visas have been used as a tool to attract skilled individuals to develop ecosystems and industries. In September 2024, Turkey started accepting applications under a new tech visa program for qualifying foreign nationals. The initiative aims to boost the competitiveness of Turkey's policies and accessibility for tech employees and entrepreneurs. Benefits include simplified residence processes, income and corporate tax exemptions, and VC investment support.

### Tech deals trickle through

Developing a bustling tech-enabled economy to compete globally has been a priority for MENA nations. The region may not yet possess the tech behemoths of the US, but investments are trickling through. With overall PE deal value down, IT was one of the few sectors showing growth in 2024. PE IT deal value grew 14.7% YoY to \$1.4 billion, with other sectors offering growth in the broad-based B2C and B2B segments. One notable deal involved Mashreq selling Neopay for \$385 million to Arcapita and DgPays. NeoPay was launched in 2022 by Mashreq, and its products include point-of-sale software, inventory management systems, card processing tools, merchant acquisition solutions, and payment gateway infrastructure. Digital payment providers compete fiercely on a global scale and have proven to be lucrative businesses as populations shift towards card transactions instead of cash.

<sup>1</sup>: "VFS Global Witnesses 15% Increase in Visa Volume in 2023," ZAWYA, VFS Global, March 7, 2024.

## Share of PE deal value by sector



Source: PitchBook • Geography: MENA • As of 31 December 2024

Alongside the evolving digital payments landscape, tech-enabled banking has revolutionised how individuals and corporations address financing needs. This has led to large amounts of private capital flowing into fintech solutions in Europe, the US, and Asia. Within MENA, financial services companies are obtaining funding, too. In 2024, Egypt-based microlender and payment provider MNT-Halan secured \$157.5 million. More than 30% of Turkey's population remains unbanked, which has created opportunities for emerging fintech players.<sup>2</sup> Since the emergence of the Turkish economic crisis in 2018, many fintech companies, including Tam Finans, have provided financing to unbanked segments in Turkey. These companies operate in credit scoring, credit consolidation, and alternative lending.

### Oman Vision 2040

Oman Vision 2040 is a national strategy focused on economic diversification, sustainability, and human capital development. It focuses on investments in renewable energy, logistics, tourism, manufacturing, and digital transformation. The vision aims to reduce oil dependency, enhance governance, and foster a knowledge-based economy while preserving Omani culture and environmental resources. 2040 targets include a 90% non-oil share of GDP, 5% real GDP growth, a 90% growth rate of real GDP per capita, and a net inflow of foreign direct investment worth 10% of GDP.<sup>3</sup> Additional targets relate to boosting the nation's innovation, competitiveness, and

effectiveness. Oman Vision 2040 is expected to grow the economy and stimulate dealmaking.

In 2024, two Oman-based PE transactions were among the largest in MENA. In H2 2024, US-headquartered Apollo acquired 50% of Vale Oman Distribution Center (VODC) for \$600 million from Brazil-headquartered mining corporation Vale. The other deal involved United Solar Holding receiving \$156 million from the Future Fund Oman (FFO). The \$5.2 billion FFO was closed in 2024 by Oman Investment Authority, the sovereign wealth fund of Oman, and is tasked with investing in eight strategic sectors to diversify the country's holdings away from oil. VODC and United Solar Holding are linked to the development of the SOHAR Port and Freezone, which is a key hub for the global trade network.

### Cross-border flows

Much has been said about the progressively diversified portfolios of MENA-based investors in recent years. Entities such as sovereign wealth funds have utilised state funds to grow industries domestically and internationally. We have also seen international investors target the MENA region as a high-growth geographical location in which to invest. Focus areas such as real estate, tourism, financial services, and technology are continuously touted in media outlets as areas for vast opportunities.

2: "Egypt's MNT-Halan Banks \$157.5M, Gobbles Up a Fintech in Turkey To Expand," TechCrunch, Tage Kene-Okafor, July 26, 2024.

3: "Oman Vision 2040," Oman Vision 2040 Implementation Follow-Up Unit, November 5, 2023.

## Most active global investors in MENA VC deals since 2018

Investor	Deal count	Median deal value (\$M)	Investor HQ	Investor type
500 Global	232	\$1.3	US	Accelerator/incubator
Flat6labs	111	\$0.3	Egypt	Accelerator/incubator
Wamda Capital	73	\$5.0	United Arab Emirates	VC
Vision Ventures	72	\$2.0	Saudi Arabia	Corporate VC
Shorooq Partners	64	\$7.0	United Arab Emirates	VC

Source: PitchBook • Geography: MENA • As of 31 December 2024

## Most active global investors in MENA PE deals since 2018

Investor	Deal count	Median deal value (\$M)	Investor HQ	Investor type
Saudi Arabia's Public Investment Fund	42	\$392.5	Saudi Arabia	Sovereign wealth fund
ADQ	23	\$1,120.0	United Arab Emirates	Sovereign wealth fund
Mubadala Investment Company	22	\$1,493.5	United Arab Emirates	Sovereign wealth fund
Al Arabi Investment Group	18	N/A	Jordan	Investment bank
Development Partners International	17	\$110.0	UK	PE/buyout

Source: PitchBook • Geography: MENA • As of 31 December 2024

## Most active MENA investors in non-MENA VC deals since 2018

Investor	Deal count	Median deal value (\$M)	Investor HQ	Investor type
VentureSouq	272	\$5.0	United Arab Emirates	VC
Kube VC	259	\$7.0	United Arab Emirates	VC
Morningstar Ventures	201	\$4.0	United Arab Emirates	VC
Sandeep Nailwal	159	\$4.0	United Arab Emirates	Angel
DWF Labs	157	\$4.5	United Arab Emirates	VC

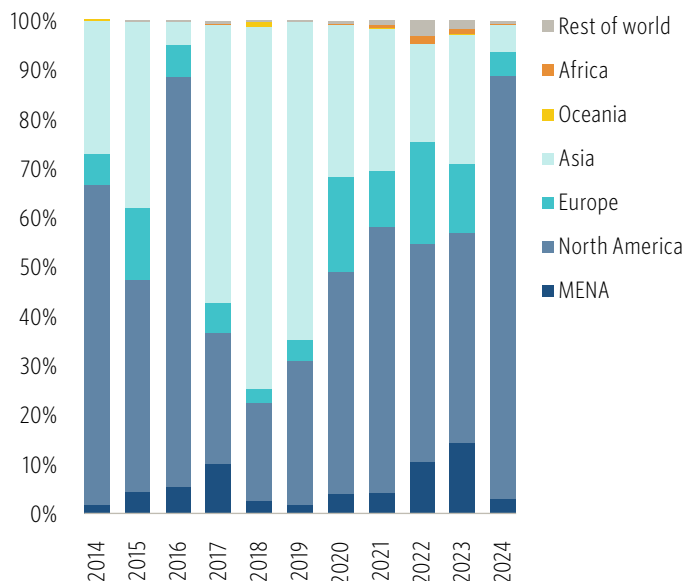
Source: PitchBook • Geography: Global • As of 31 December 2024

## Most active MENA investors in non-MENA PE deals since 2018

Investor	Deal count	Median deal value (\$M)	Investor HQ	Investor type
Mubadala Investment Company	480	\$344.4	United Arab Emirates	Sovereign wealth fund
Abu Dhabi Investment Authority	288	\$260.1	United Arab Emirates	Sovereign wealth fund
Investcorp	178	\$69.4	Bahrain	PE/buyout
Saudi Arabia's Public Investment Fund	110	\$374.2	Saudi Arabia	Sovereign wealth fund
Africinvest	70	\$11.7	Tunisia	PE/buyout

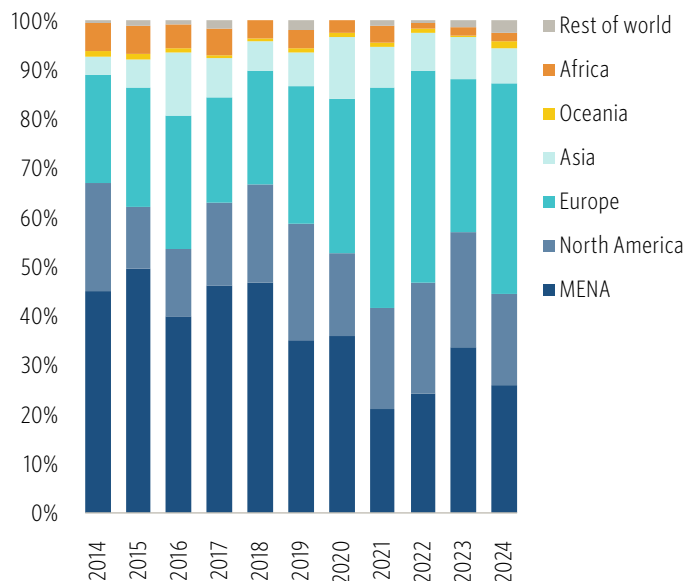
Source: PitchBook • Geography: Global • As of 31 December 2024

## Share of VC deal value with MENA investor participation by region



Source: PitchBook • Geography: Global • As of 31 December 2024

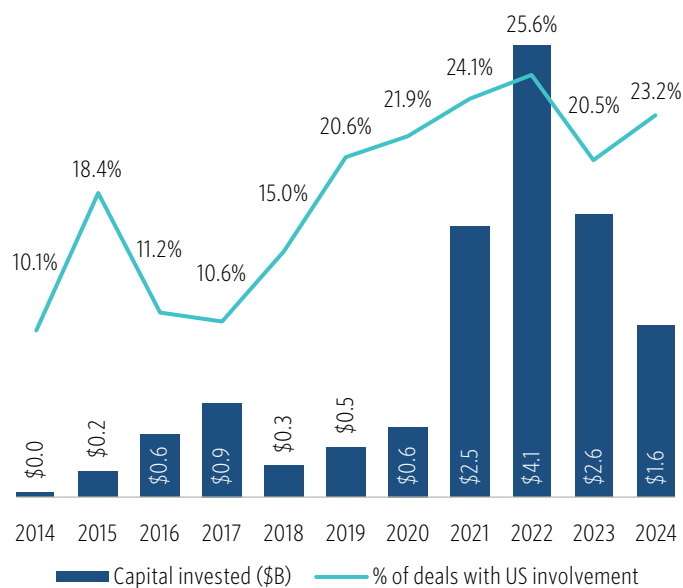
## Share of PE deal count with MENA investor participation by region



Source: PitchBook • Geography: Global • As of 31 December 2024

Our datasets tend to focus on the geographical location of an underlying portfolio company or fund. For example, a UAE-based startup receiving capital will increase UAE VC deal value, even if the underlying funds are from different regions. By analysing the activity originating from MENA-based investors, we are able to identify cross-border capital inflows and outflows from the region. In 2024, MENA-based investors participated in a record \$41.2 billion of North America-based VC deal value. It is worth noting that for the majority of rounds, the underlying split of capital from each investor is not disclosed. Therefore, this is an aggregate figure for capital deployment where at least one MENA-based backer was on board. On the PE side, MENA investors were present in \$56.7 billion of European PE deal value, marking another record. Within the total, the announced \$16.3 billion buyout of Germany-headquartered Covestro by the Abu Dhabi National Oil Company was among the largest PE deals in 2024. Both deal value statistics emphasise that MENA investors have been targeting greater cross-border activity.

## VC deal activity with US investor participation

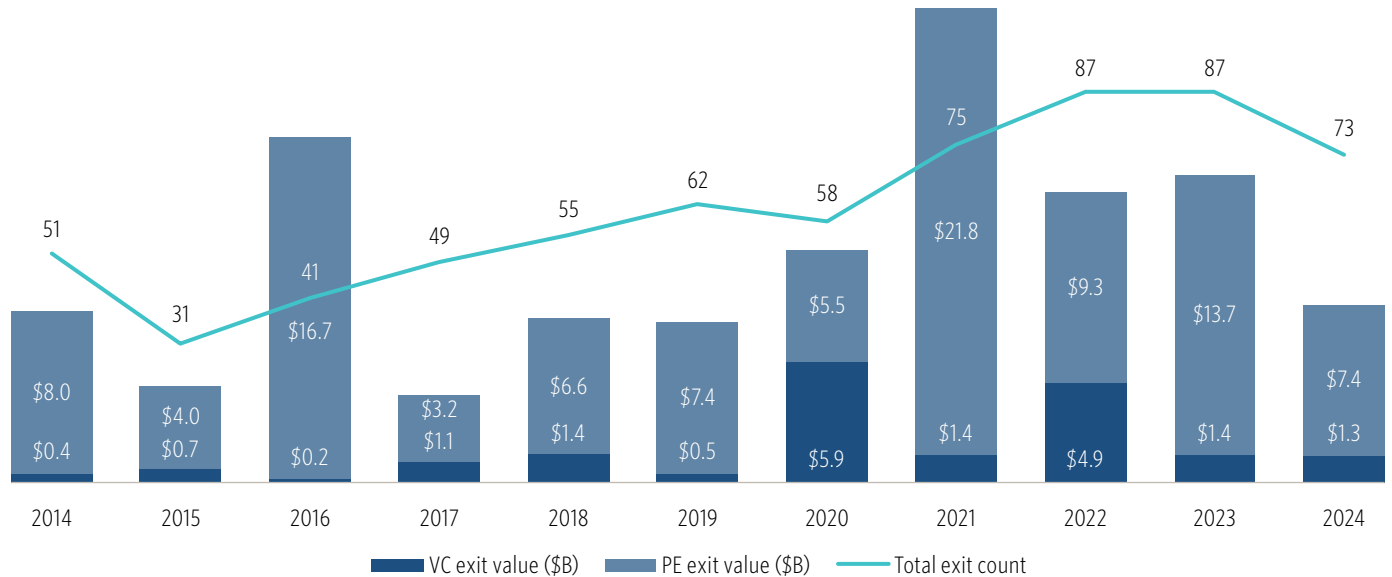


Source: PitchBook • Geography: MENA • As of 31 December 2024

Overseas investors are also taking interest in MENA opportunities. New York-headquartered General Atlantic participated in the aforementioned Insider round in Q4 2024 and contributed to the \$100 million financing of Eyewa. General Atlantic has invested approximately \$400 million in the Middle East since 2015. In line with overall dealmaking statistics, MENA VC deal value with US investor participation was down in 2024. Despite the drop, VC deal count remained flat at just over 150 deals, with nearly 1-in-5 rounds (23.2%) having a US investor on board.

# Exits

## PE- and VC-backed exit activity



Source: PitchBook • Geography: MENA • As of 31 December 2024

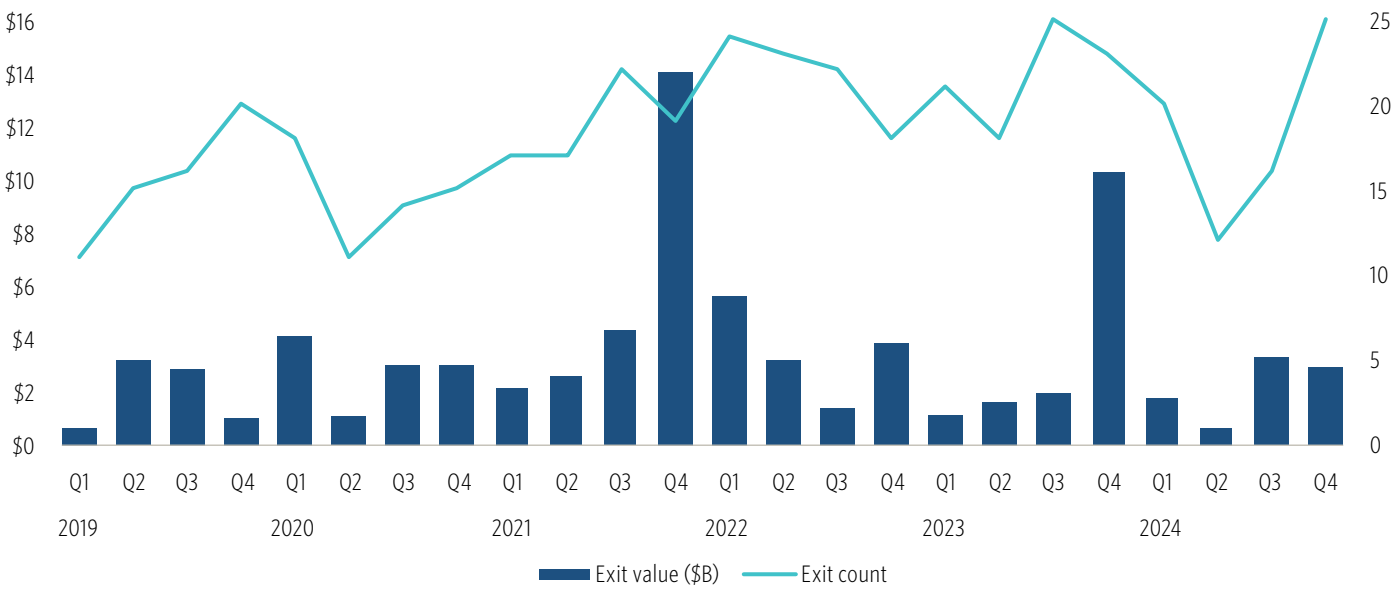
### Exits dip in 2024

2024 PE- and VC-backed exit activity dropped 42.2% YoY in value and 16.1% YoY in volume amid a timid exit environment. 2024 combined exit value was at its lowest since 2019, while counts were their lowest since 2020. Exit value from VC-backed companies remained relatively flat YoY, and the decline was felt on the PE side, as value decreased by 46.1% YoY. The tougher exit climate has been widely reported across the globe as geopolitical tensions, inflation, and weak growth have hampered exit plans, particularly public listings. However, as was the case with dealmaking, there is cause for optimism when analysing quarterly exit activity in 2024. 71.9% of annual exit value—equivalent to \$6.6 billion—was realised in H2 2024, which bodes well for 2025.

### Public listings watch

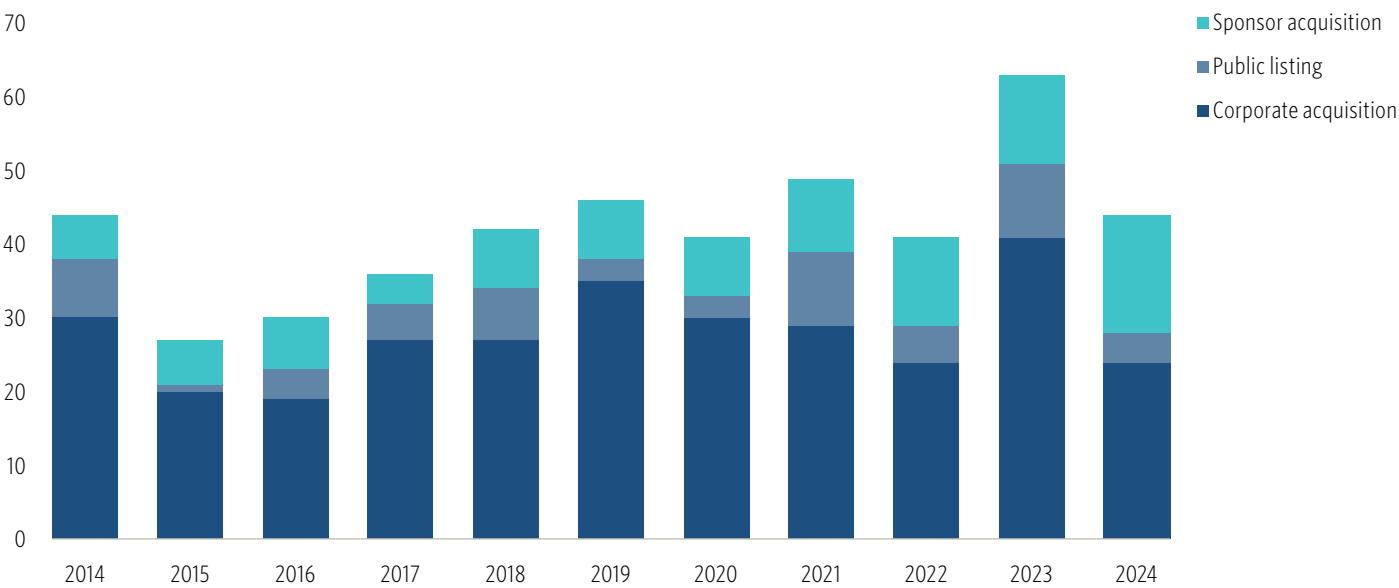
A selection of companies decided to list amid the decline in exit activity in 2024. Food producer Arabian Mills was among them and listed on the Saudi Exchange at a \$901.6 million valuation. Further listings involved Turkey-based pair Oba Makarna in H1 and BinBin in H2 at \$518.3 million and \$259.4 million private market valuations, respectively. Investors will be closely evaluating how recent listings cope in public markets, which could lead to increased activity levels in upcoming quarters. However, we believe lower global listing activity has resulted from a boom in listings taking place at elevated post-COVID valuations, which have not generated the growth investors would have anticipated. Therefore, we expect investors and management teams to tread carefully regarding listings, but ultimately, we anticipate IPOs will pick up in 2025 as market conditions improve.

PE- and VC-backed exit activity by quarter



Source: PitchBook • Geography: MENA • As of 31 December 2024

PE-backed exit count by type

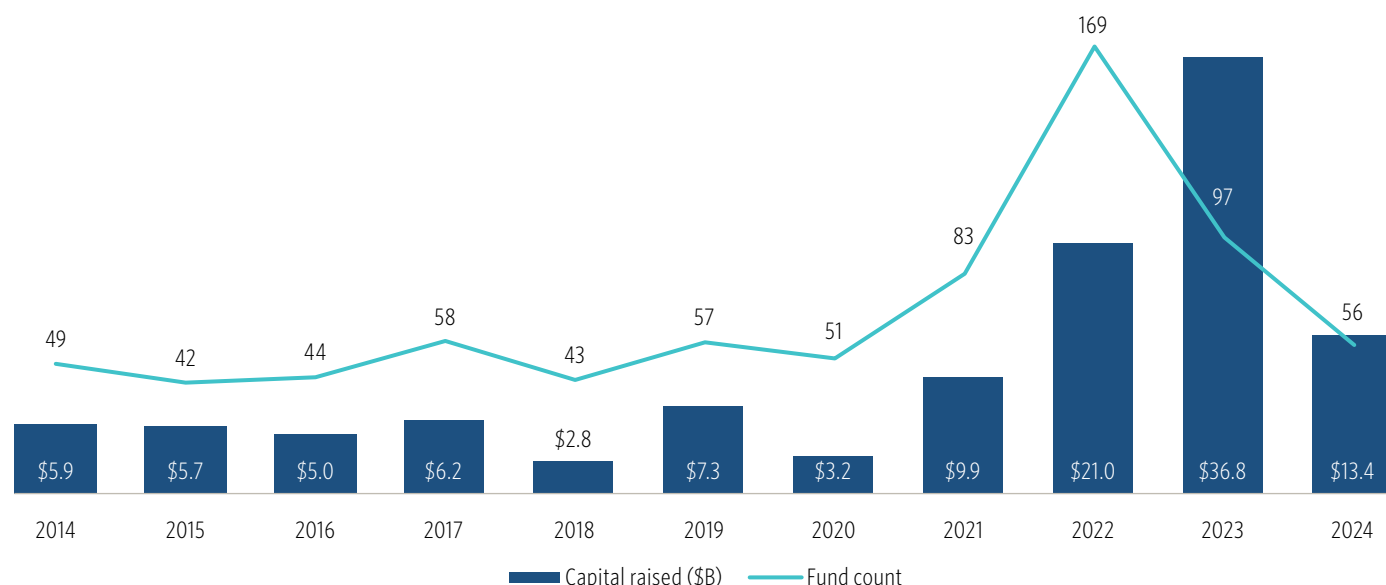


Source: PitchBook • Geography: MENA • As of 31 December 2024



# Fundraising

## Private market fundraising activity



Source: PitchBook • Geography: MENA • As of 31 December 2024

### Amid fewer funds, total capital raised picked up for PE and VC

Private market fundraising decreased in 2024, reaching \$13.4 billion across 56 closed funds in the MENA region. However, the total's components indicate a strong year for capital raised in PE and VC funds in spite of fund closures shrinking. \$9.5 billion was raised by PE funds—more than triple the 2023 showing. Meanwhile, capital raised in VC funds grew to \$1.8 billion, equating to a 49.7% YoY bump. As has been the case historically with fundraising, annual changes should take into account outliers that can skew figures as well as the lumpy nature of fundraising totals governed by fund timings and families. Both of these factors can inflate totals and mask the contrasting challenges facing emerging and experienced fund managers.

Looking at the largest closes in 2024, two funds closed in the multibillion-dollar bracket—the \$5.2 billion FFO and Mubadala Capital's \$3.1 billion MIC Capital Partners IV fund. We discussed major H1 closes in our [H1 2024 MENA Private Capital Breakdown](#), so we will focus on some of the larger closes from H2 in this report. Mubadala Capital's fund was its fourth PE vehicle, exceeding its initial target by \$1 billion. LPs included US pension funds, endowments, insurance providers, sovereign wealth funds, asset managers, and family offices from across the globe. Mubadala Capital

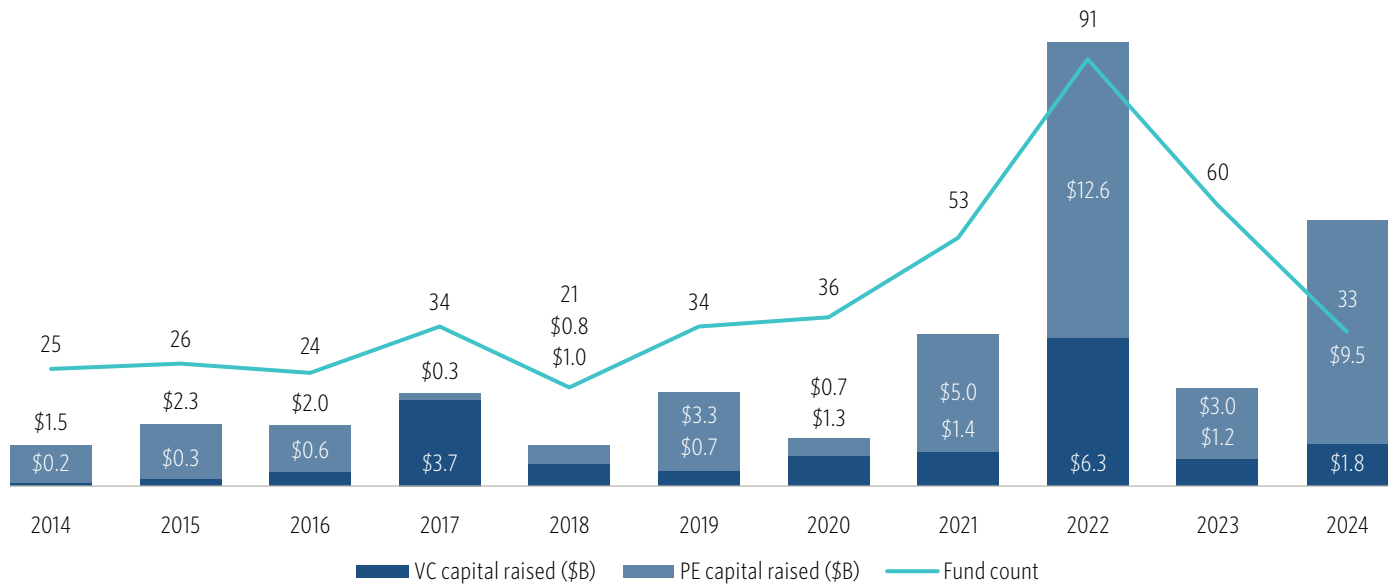
manages around \$27 billion in assets and is the alternative asset management arm of Mubadala Investment Company, which has \$330 billion in AUM. Tougher fundraising conditions have emerged in recent years, but we have continued to see major players close large funds and draw in commitments nonetheless.

### Education and real estate create opportunities

In H2 2024, Egypt-headquartered EFG Hermes' PE arm closed its \$300 million Saudi Education Fund (SEF) targeting schooling in Saudi Arabia. Education has been at the forefront of initiatives in Saudi Arabia, as the country has identified it as a priority to improve and compete internationally. SEF will target the increasing student population in private schools, which is expected to more than double in line with Saudi Arabia's Vision 2030 objectives.<sup>4</sup> SEF has wasted no time deploying capital to aid these objectives. In H2 2024, SEF agreed to purchase a \$230 million portfolio of international schools owned by GFH Financial Group named Britus Education. The portfolio includes four schools in Saudi Arabia, two in the UAE, and one in Bahrain, with a capacity of roughly 12,000 students. This latest transaction follows another major MENA deal involving education provider GEMS Group Holdings in H1 2024.

4: "EFG Hermes Launches \$300 Million Saudi Education Fund, Acquires Britus Education," Wamda, EFG Hermes, November 18, 2024.

## PE and VC fundraising activity



Source: PitchBook • Geography: MENA • As of 31 December 2024

Real estate funds often aided private market fundraising figures alongside PE and VC funds in the past five years. Capital raised in PE funds has exceeded that of real estate funds in each of the past five years, yet more real estate funds have closed in three out of five of those years. In 2024, \$1.2 billion worth of real estate funds closed, up from \$860 million in 2023. The \$266.2 million Saudi-based Cenomi Centers Real Estate Fund, which closed in H2 2024, helped increase the total. Real estate is another evolving sector as Saudi Arabia looks to attract companies and individuals to the region. The Saudi Arabian real estate market is estimated to be \$75 billion in 2025 and is expected to reach \$109.6 billion by 2030.<sup>5</sup> Ambitious residential targets over the next few years will support the expansion of the real estate sector alongside increased interest in commercial real estate plans for businesses.

### Venture funds spread out

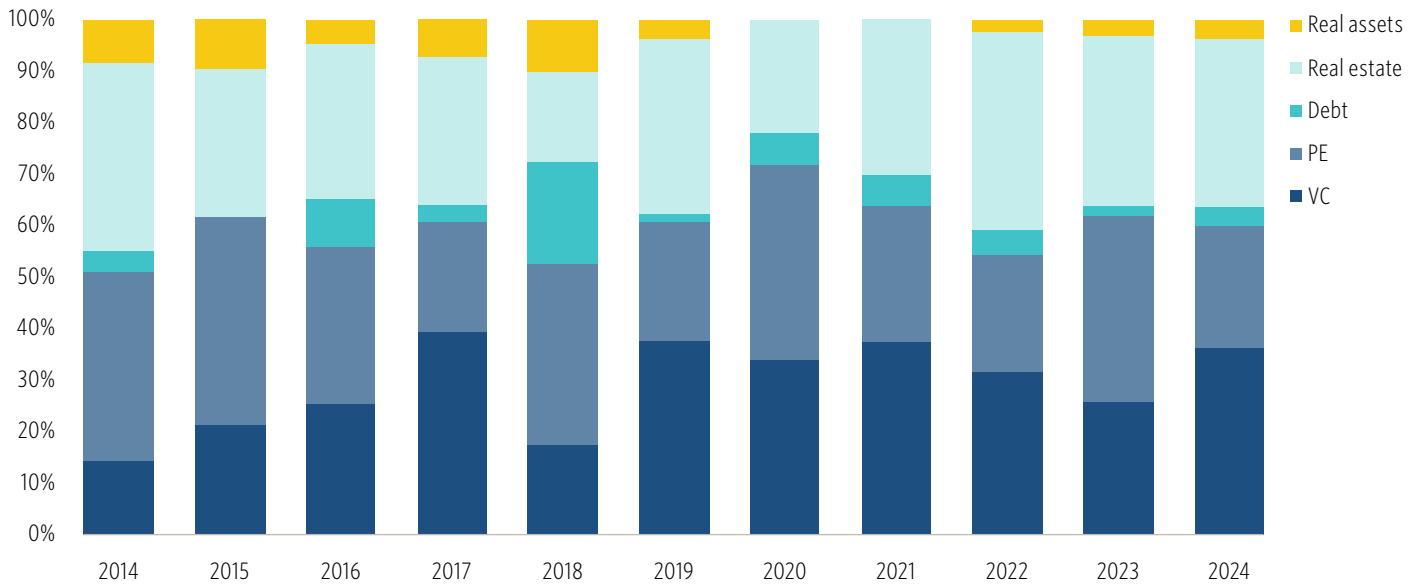
A \$300 million Beta Lab Growth Fund was confirmed during the Future Investment Initiative 2024 conference run by Saudi Arabia's Public Investment Fund. The newly created fund and studio will concentrate on deep tech and nurture cross-border innovation between the Middle East and Southeast Asia. Beta Lab is a strategic partnership between

the Saudi Ministry of Investment, the Hong Kong Science & Technology Parks Corporation, and MDI Ventures, which is part of Telkom Indonesia. As previously discussed, cross-border flows are a key growth area for MENA investors, and we expect more international strategic partnerships to occur moving forward. Sharing expertise across borders can help drive innovation within industries, and open markets help boost competition, drive efficiency, and enrich the quality of offerings.

Evolving verticals have created pathways for new funds to appear in VC. As developed VC ecosystems in the US and Europe have shifted to cater to growing demand, emerging ecosystems have noted funds targeting specific niches. For example, gaming is an area that has grown in popularity in recent years with the increasing adoption of mobile phone usage. One fund looking to take advantage of the trend is the \$150 million Abu Dhabi-based Beam Ventures Fund, which closed in 2024. Beam Ventures will launch an accelerator program, which has proved fruitful for established investors such as Y Combinator. Accelerator programs offer startups the platform to showcase, develop, and refine their ideas. While capital remains an important cog in the VC life cycle, promoting an entrepreneurial mindset is important for ecosystem development too.

<sup>5</sup>: "Saudi Arabia Real Estate Market Size," Mordor Intelligence, n.d., accessed February 26, 2025.

## Share of fund count by type



Source: PitchBook • Geography: MENA • As of 31 December 2024

## 2025 and beyond

As discussed in our [2025 EMEA Private Capital Outlook](#), we are bullish on our outlook for private market fundraising in the MENA region in 2025. We expect fundraising to tick along in 2025 and potentially surpass \$20 billion. The growth will be driven by the expansion of fund managers pursuing multiple asset classes, developing regional tech hubs, and the increased usage of private capital markets in the region. Competitive tax and business policies will attract individuals, corporations, and investors to commit capital. Broadening revenue avenues, tapping government support, and creating strategic partnerships with experienced investors are priorities for nations in the Middle East. We believe fundraising activity will be strengthened with local and international LPs as well as substantial government capital. Risks are also at play, though. Conflicts continue, and new government regimes in the US and Europe could impact investor appetite to commit to the region.

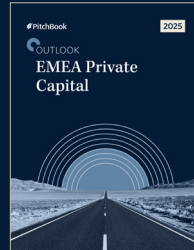
# Additional research

## EMEA private capital



### H1 2024 MENA Private Capital Breakdown

Download the report [here](#)



### 2025 EMEA Private Capital Outlook

Download the report [here](#)



### 2024 Annual European VC Valuations Report

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### 2024 Annual European PE Breakdown

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### 2024 Annual European Venture Report

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### 2024 DACH Private Capital Breakdown

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