

MAGNiTT



Ministry of Digital Economy
and Entrepreneurship

2018 - 2022

JORDAN

Venture Investment Report

MAGNiTT report, sponsored by
The Ministry of Digital Economy and Entrepreneurship

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Foreword



Ahmad Hanandeh

Minister of Digital Economy & Entrepreneurship.



It is with great pleasure that I welcome you to the Jordan Country Report for the years 2018-2022, prepared by MAGNITT. This report serves as a testament to the remarkable journey of our country's venture investment landscape and the promising potential it holds for both investors and entrepreneurs alike. In recent years, Jordan has embarked on a transformative path towards becoming a hub for innovation and entrepreneurship in the Middle East. With a rich history, a talented and ambitious workforce, and a strategic location at the crossroads of continents, our nation has always possessed the necessary ingredients for economic success.

The venture investment sector has been a key driver of this transformation. This report showcases the achievements and milestones attained over the last five years. From inspiring success stories to innovative projects and significant statistics, it highlights the dynamic and evolving landscape of entrepreneurship and investment in Jordan. As we look back at the accomplishments of the past and the exciting opportunities that lie ahead, I want to express my sincere gratitude to all the stakeholders, including entrepreneurs, investors, government entities, and support organizations, who have played a pivotal role in this journey.

Jordan remains committed to fostering an enabling environment for entrepreneurship and innovation. We continue to implement policies and initiatives aimed at attracting investment, supporting startups, and creating jobs. As we move forward, our vision is clear: To position Jordan as a regional leader in innovation, technology, and entrepreneurship. We invite investors from around the world to explore the opportunities Jordan has to offer and join us on this exciting journey of growth and prosperity.

I encourage you to explore this report and discover the incredible potential that Jordan holds for venture investment. Together, we can shape the future of our nation's economy and create lasting positive impacts for our society. Thank you for your interest and support in Jordan's venture investment ecosystem. I look forward to the continued collaboration and success that lies ahead.

Transformative Jordanian Startups



Eon Dental:



Eon Dental shaped the clear aligner industry, making high-quality solutions accessible worldwide for orthodontic care.

Open Sooq:



MENA's largest mobile classifieds marketplace, 2B monthly page views, 120M unique visitors, 800M user visits/year, USD 30B+ in annual goods sold.

Abwaab:



Abwaab is a comprehensive learning ecosystem; All students need to succeed, excel, and advance.

Cashu:



The first & largest FinTech Company in MENA offering innovative solutions that meet users' day-to-day financial needs.

Liwwa, Inc:



Born during the Arab Spring, it connects SMEs with capital through a peer-to-peer lending network, fostering economic growth.

2018-2022

Jordan Venture Investment Report

Executive Summary

The background of the slide is a blue-tinted photograph of a business meeting. Several people in business attire are gathered around a table, looking at and pointing to various documents and charts. The documents feature bar charts, pie charts, and line graphs. The overall tone is professional and analytical.

02

Executive Summary



Jordan is the fourth most funded and transacted market in the MENA region, attracting \$246M of capital across 220 deals over the last five years.



Funding has surged by a 5Yr CAGR* of 13% whilst deals have delivered 9% CAGR. Deal growth is largely in line with other peer MENA markets like Saudi Arabia and Egypt.



The E-commerce/Retail sector has starred in terms of funding and deals, unlike the rest of the MENA region, where FinTech reigns supreme. Jordanian E-commerce/Retail has attracted 20% of total funding and accounted for 17% of deals.



Between 2018 and 2021, the number of participating investors increased steadily from 32 to a record high of 46. Some of the country's most well-funded startups, including Liwwa Inc and Eon Dental, have received funding from international investors like 500 Global and Endeavor Catalyst.



Jordan has reported some notable acquisitions. POSRocket (Jordan's preeminent point of sale provider) was acquired by Saudi startup Foodics, which was last valued at over \$1Bn. Moreover, international players have also made moves to enter the MENA region by acquiring Jordanian startups. Last year, E-commerce/Retail startup Jobedu, founded in 2007, was acquired by US-based Web 3.0 startup Novajax, a company aiming to bridge the gap between the digital and physical worlds by leveraging blockchain technologies.

**Compound annual growth rate*

2018-2022

Jordan Venture Investment Report

Funding Evolution

03

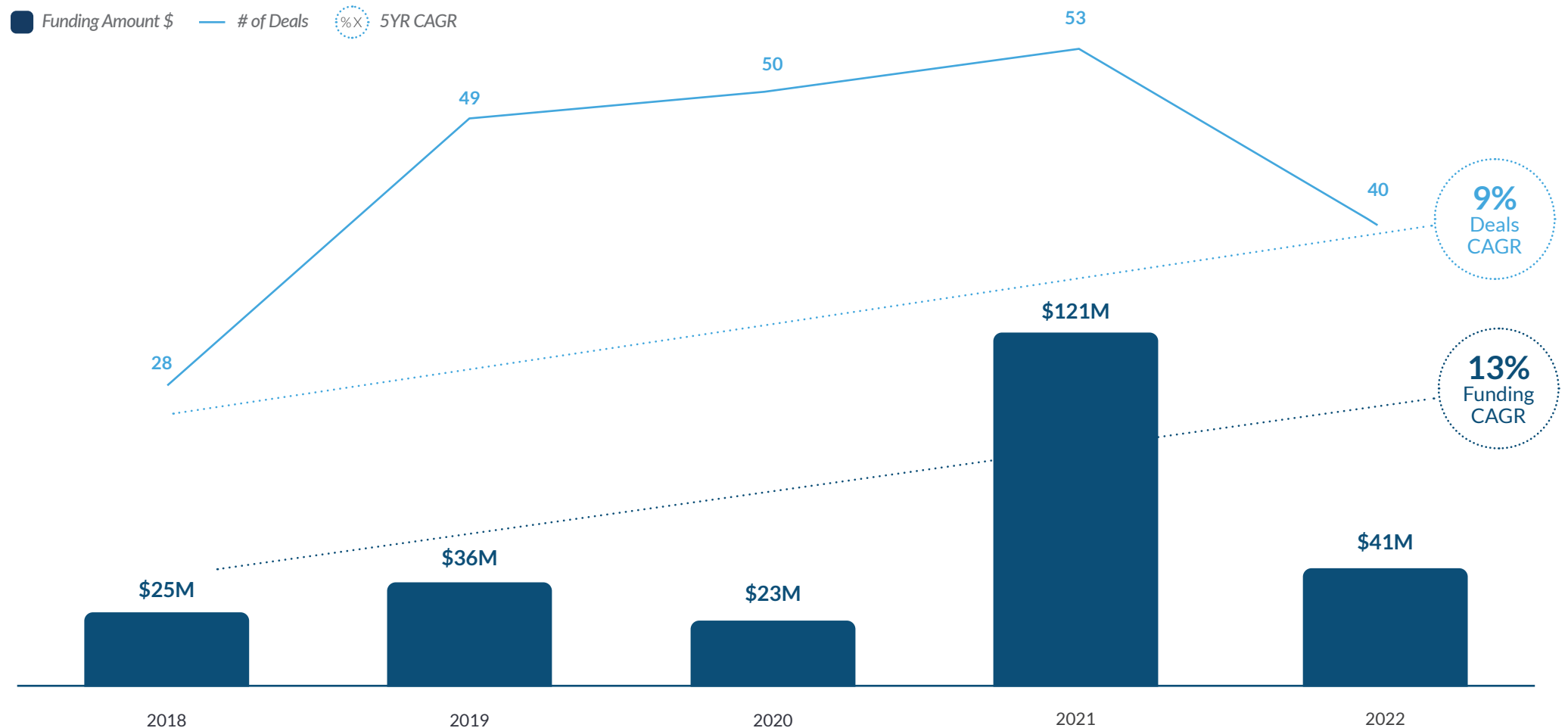
5 Yr Funding and Deal Evolution | 2018 - 2022

Jordan remains among one of MENA's fastest growing VC ecosystems and in 2021 raised over \$120M across 53 deals, a record high for the country.

- Driven by strategic growth, the trajectory from 2018 to 2022 showcases deals at 9% CAGR and funding at 13% growth rate.

- 2022 observed a deceleration in VC activity with funding declining 66% YoY vs 42% in MENA. Deal flow fell by 25%, much healthier than the 49% fall observed across MENA.

Jordan Yearly Funding Evolution (\$) | 2018-2022



9H Funding and Deal Evolution | H1 2019 - H1 2023

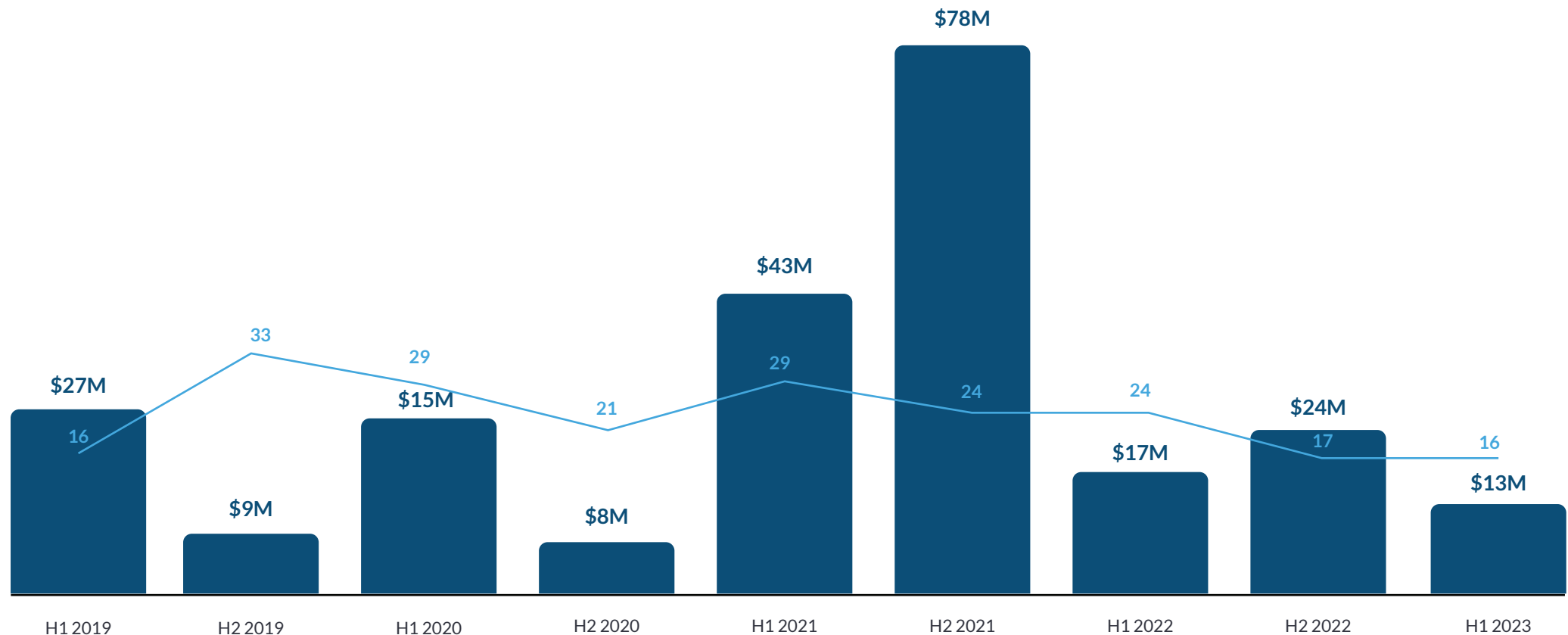
Funding and deals in H1 2023 saw a year-on-year retreat in line with regional trends.

- H2 2021 marked a milestone, with \$78M invested in 24 deals—Jordan's highest for a half year.

- In H1 2023, funding declined by 24% and deals by 33% percent vs H1 2022.

Jordan 9H Funding Evolution (\$) | H1 2019- H1 2023

■ Funding Amount \$ — # of Deals



2018-2022

Jordan Venture Investment Report

Country Breakdown

04



2018-2022 MENA Country Comparison | By Funding

Jordan is strategically positioned in MENA as the 4th most funded country.

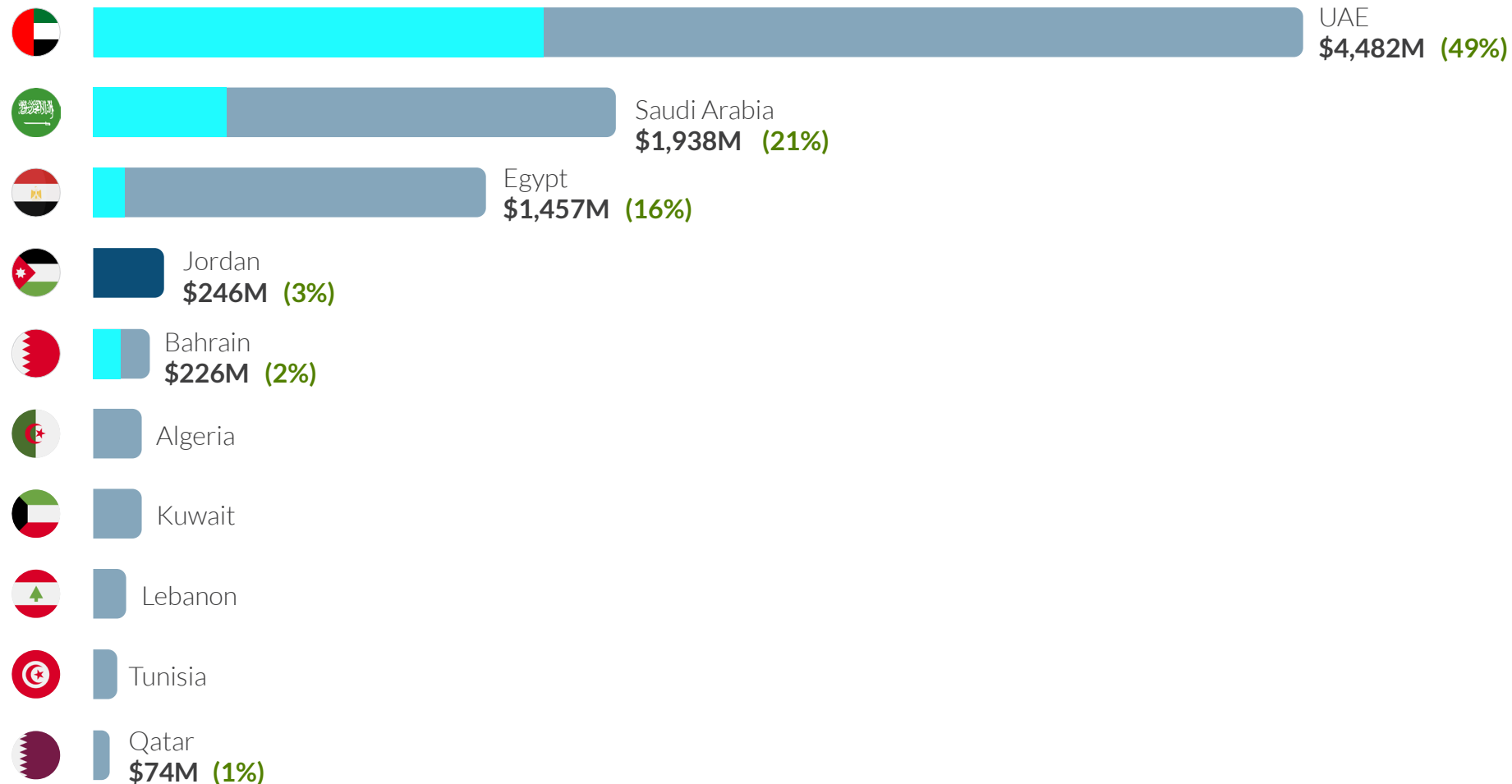
- Barring the impact of the Big 3 which account for 65% of the funding in the MENA region, Jordan takes up the lead capturing 20% of the funding share of the smaller markets.
- Amongst countries that are yet to close a MEGA Deal (\$100M+), Jordan is the most funded.

Top Countries by Total Funding (\$) in MENA | 2018-2022

(X%) share of each country 2018-2022

 Mega Deals (\$100M+)

 Non-Mega Deals (>\$100M)



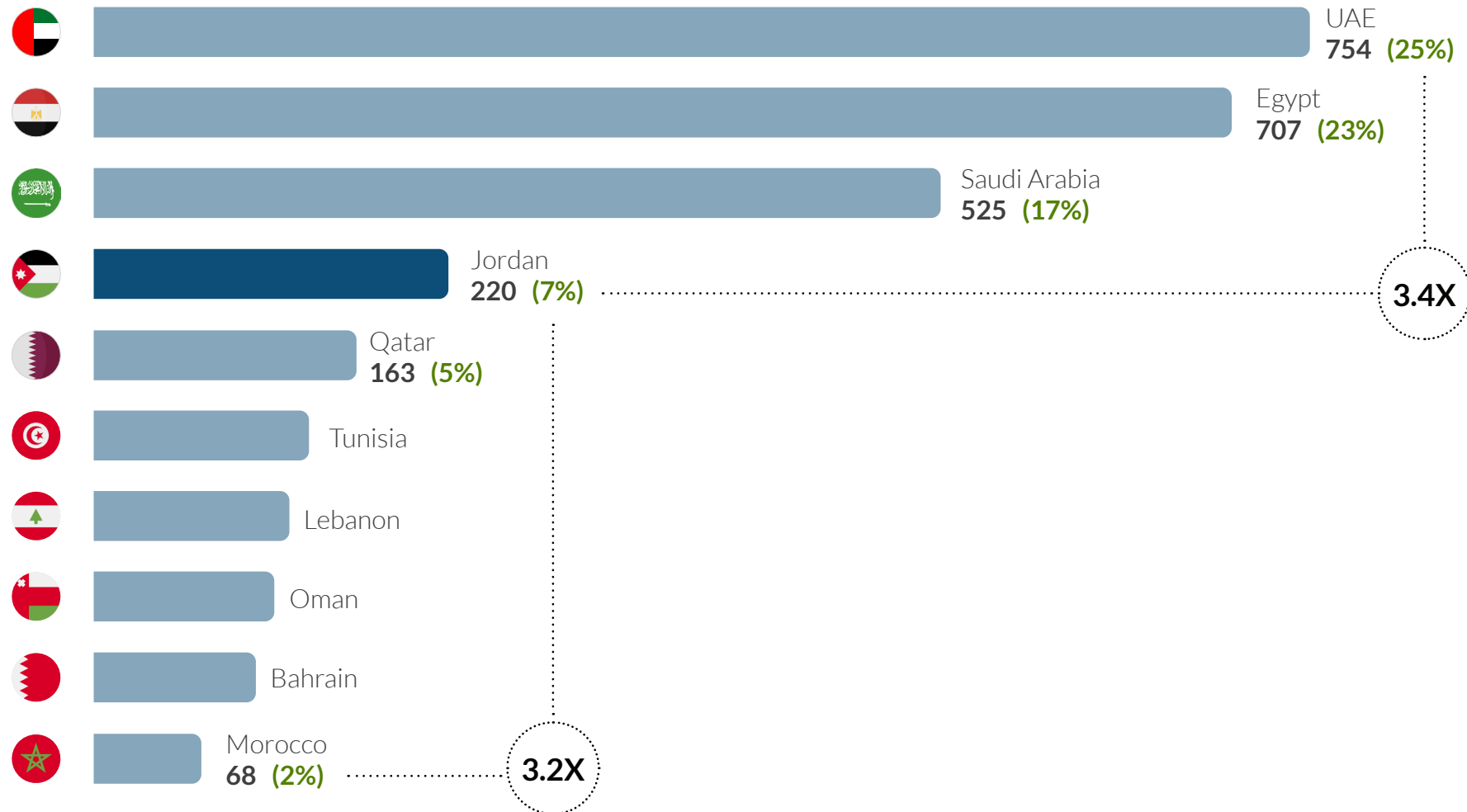
2018-2022 MENA Country Comparison | By Deals

Jordan is the fourth most transacted country in the MENA region.

- This participation translated to Jordan contributing 7% share to the cumulative deals executed across the entire MENA region.
- Jordan is ~ 3x bigger than the tenth market in MENA, the same difference between Jordan and the region's top-most market, the UAE.

Top Countries by Number of Deals (#) in MENA | 2018-2022

(X%) share of each country 2018-2022



2018-2022

Jordan Venture Investment Report

Industry Breakdown

05



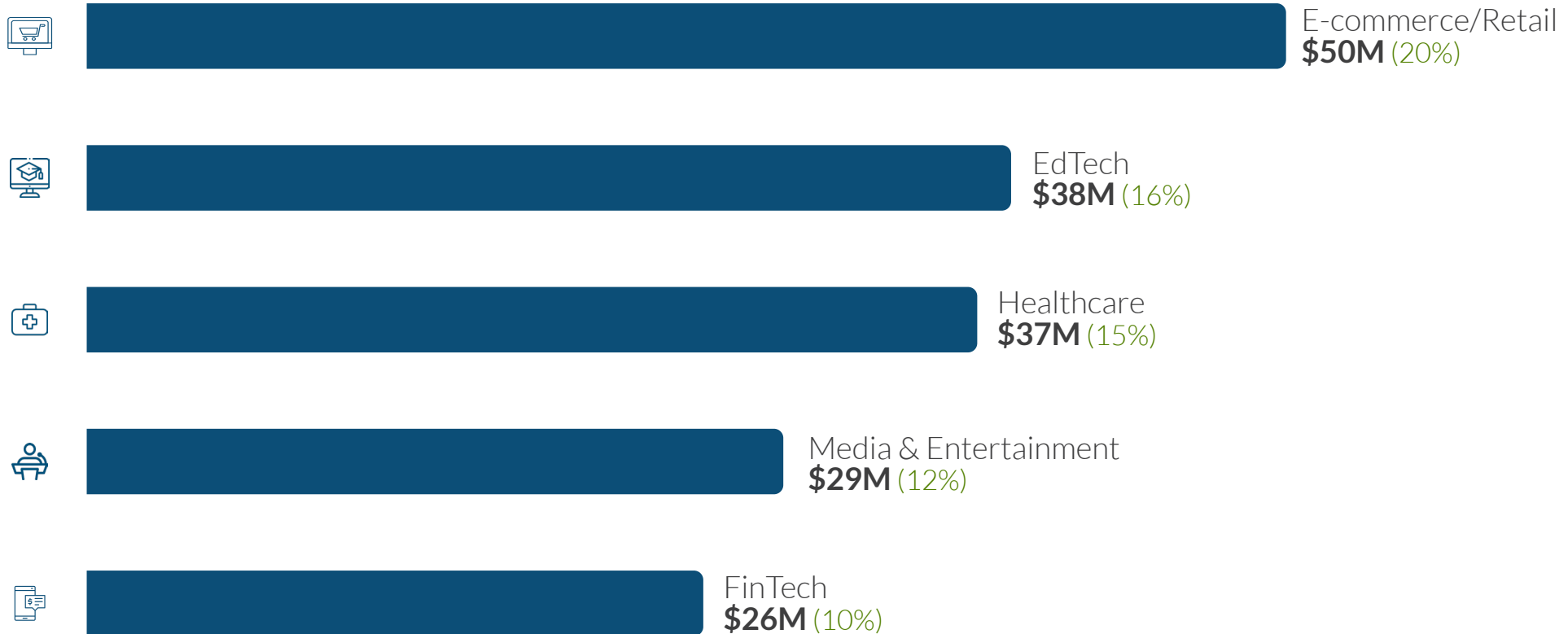
2018-2022 Jordan Industry Comparison | By Funding

The E-commerce/Retail sector is the preeminent industry within Jordan's landscape unlike MENA where FinTech takes the lead.

- EdTech is the second most funded industry in Jordan whereas in MENA, FinTech, E-commerce/Retail, and Transport & Logistics usually take the spot for the top three funded industries.
- Approximately 50% of the funding within each of these top sectors emanated from a single deal.

Top Industries by Total Funding (\$) in Jordan | 2018-2022

**% share of each Industry 2018-2022*



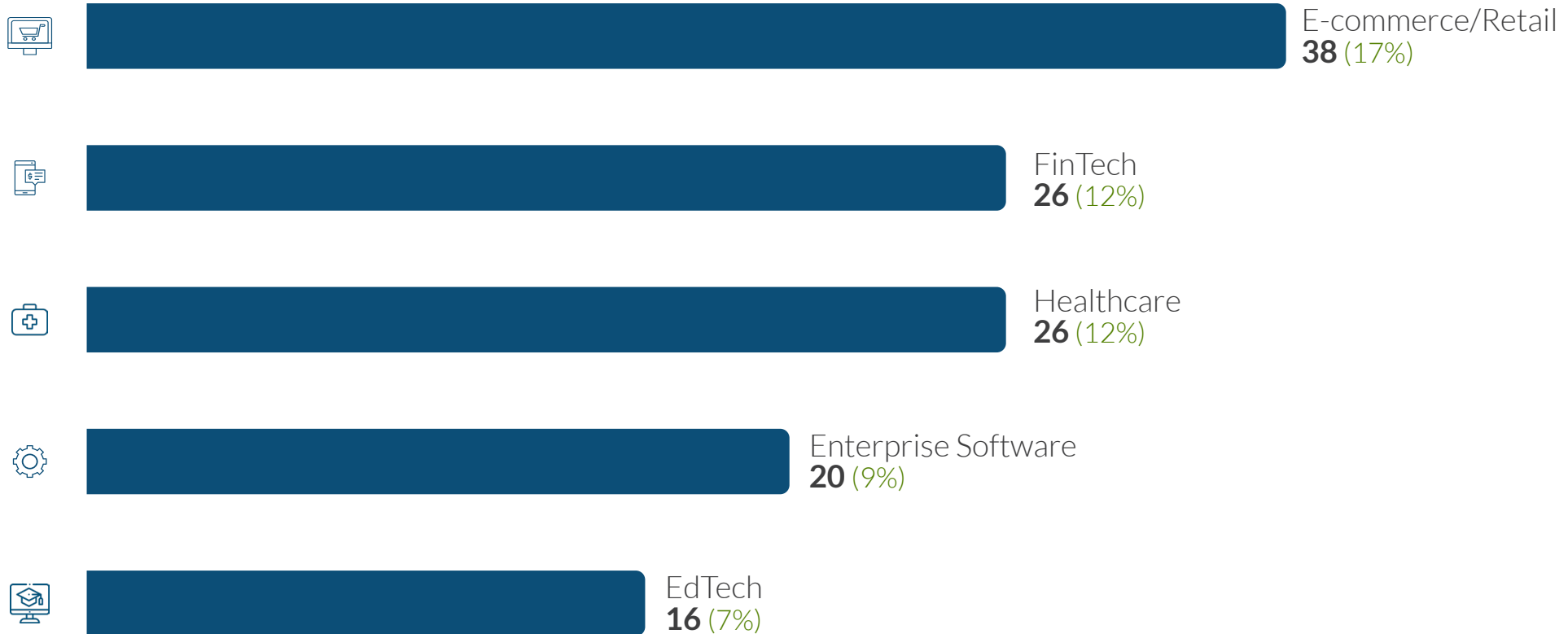
2018-2022 Jordan Industry Comparison | By Deals

The E-commerce/Retail sector closed the most deals securing 17% of the total deal count from 2018 to 2022.

- Nearly 60% of the deal distribution over the preceding five years has been accounted for by the top five sectors.
- Within the region, Jordan has solidified its position in the EdTech industry, ranking as the second most deal rich geography for a consecutive stretch of three years.

Top Industries by Number of Deals (#) in Jordan | 2018-2022

**% share of each Industry 2018-2022*



2018-2022

Jordan Venture Investment Report

Investment Analysis



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Top Five Jordan Deals | 2018 - 2022

In the 2018-2022 span, the top five deals amassed 39% of Jordan's total deployed capital.

- Four out of the all-time top five deals were recorded in 2021, all across different industries Healthcare, E-commerce/Retail, Edtech and Gaming.
- While a substantial portion of investors within the country are domestic, notable strategic international entities like 500 Global and Endeavor Catalyst have also been active investors. Endeavor has established a full-fledged dedicated office to support Jordanian founders

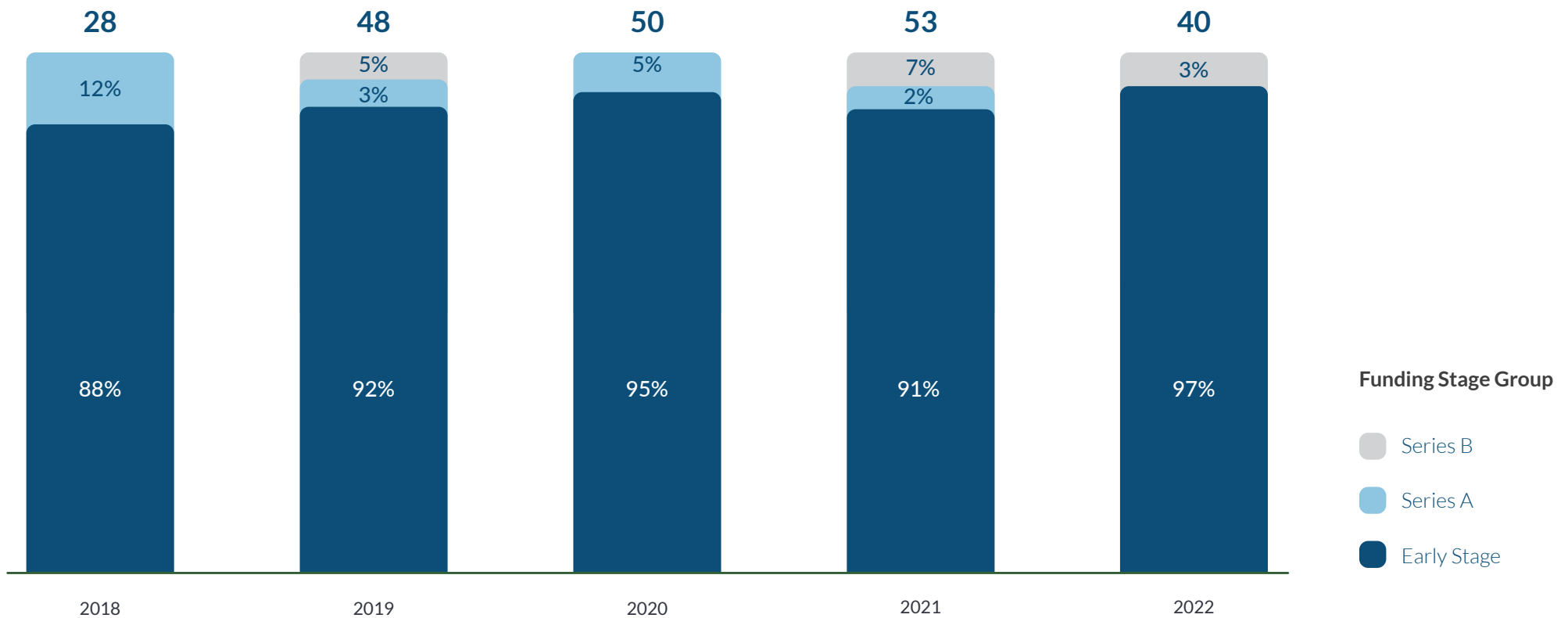
Startup	Amount Raised (to date)	Funding Stage	Year	Industry	Investors
1 	\$26M	Series B	2021	Healthcare	      
2 	\$24M	Undisclosed	2021	E-commerce/Retail	  
3 	\$20M	Series A	2021	EdTech	       
4 	\$14M	Series A	2018	Media & Entertainment	    
5 	\$11M	Series B	2021	Gaming	               

VC Funding by Stage | 2018 - 2022

The ecosystem's activity remains concentrated in Early Stage deals, signifying its untapped potential.

- With over 90% of deals consistently occurring at the early stage, Jordan's Early Stage deal flow average is higher than its peer MENA countries.
- There has been some Late Stage activity with 7% of the deals in 2021 being Series B.

Yearly VC Deals in Jordan by Stage (%) | 2018-2022



2018-2022

Jordan Venture Investment Report

Exits

07

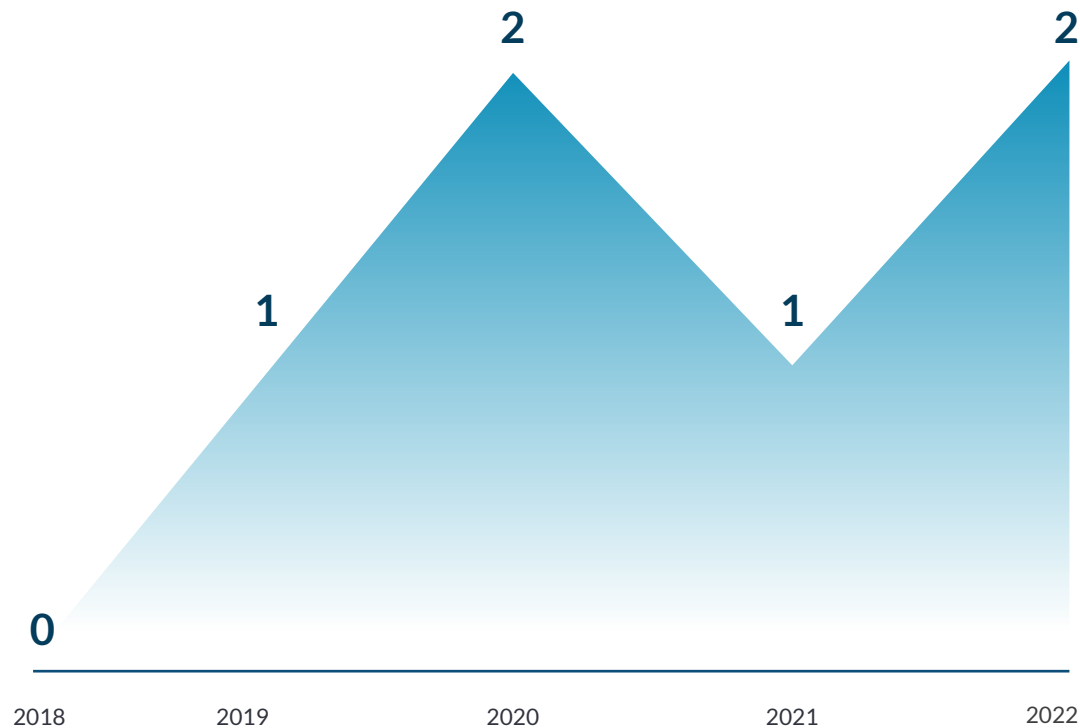



Exit Evolution | 2018 - 2022

Despite being relatively sporadic, Jordan has seen a number of noteworthy acquisitions with key players establishing their presence in the country.

- Jordan's Arab streetwear brand Jobedu, and POS provider, POSRocket, are some landmark acquisitions made by US-based Novajax and Saudi Arabia's Foodics.
- In contrast to regional counterparts where the median years to exit is 6 years, Jordan maintains a comparatively extended period, standing at 10 years.

Jordan Exit Evolution | 2018-2022

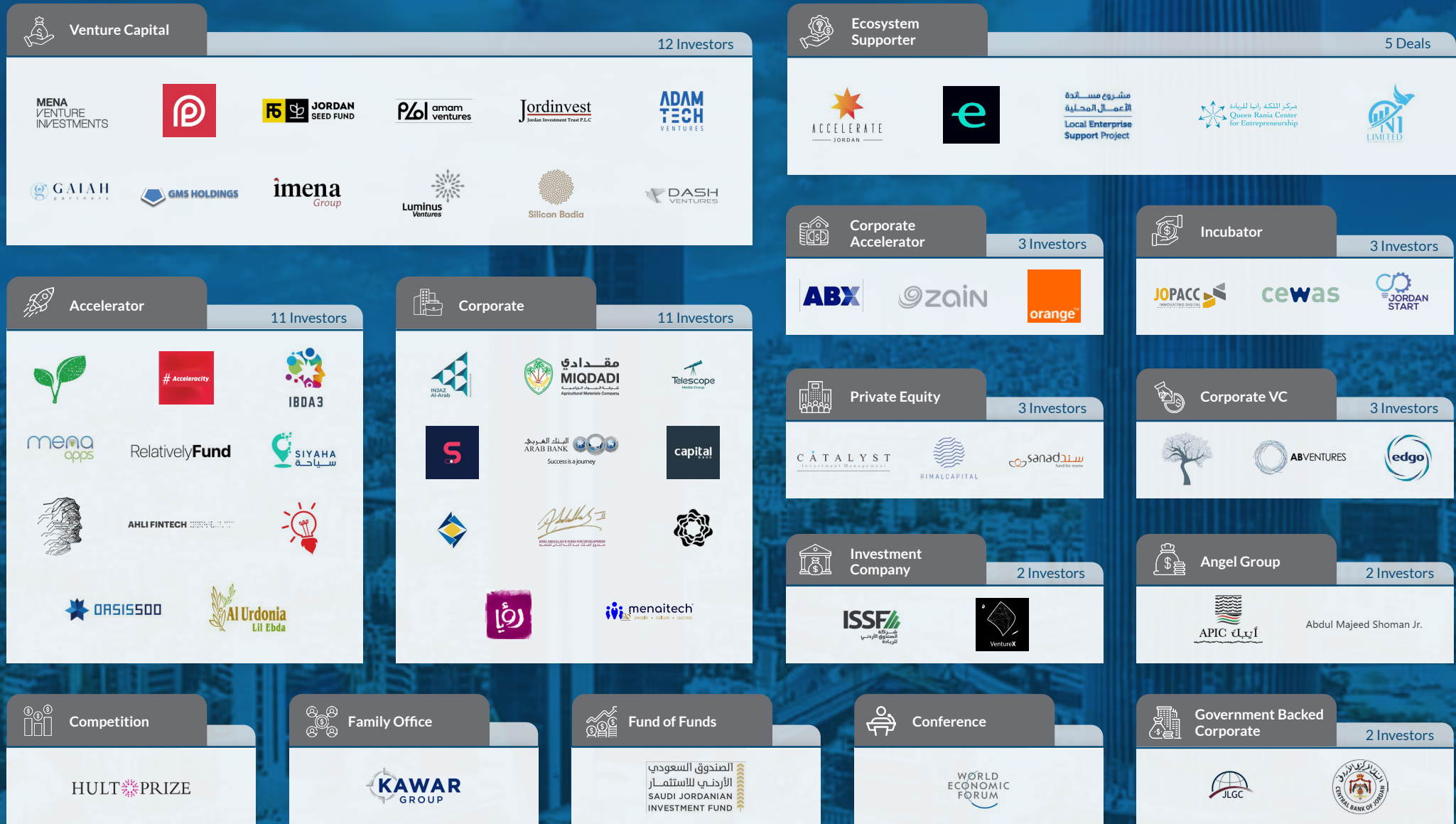


Acquired	Month	Acquirer
	Dec	tarjama
	Feb	موضوع
	Oct	caumet
	Sep	STILLFRONT GROUP
	Jan	FOODICS
jobedu	Mar	



Jordan Ecosystem Supporters Market Map

MAGNITT



*The data has been extracted from publicly available sources.

Key Ecosystem Players



Ministry of Digital Economy and Entrepreneurship

The Jordanian Ministry of Digital Economy and Entrepreneurship (MoDEE) has been actively enhancing the entrepreneurship ecosystem with the appointment of its first Minister for Entrepreneurship, the formulation of the General Entrepreneurship Policy, and the initiation of the 5-year, USD 200 million YOUTH, TECHNOLOGY AND JOBS (YTJ) project funded by the World Bank Group to improve digital income opportunities in Jordan.



Innovative Startups and SMEs Fund

ISSF is a private sector managed fund making investments in innovative startups and early stage SMEs. The World Bank has invested USD 50 million in the Fund, which was complimented by the Central Bank of Jordan with an additional USD 48 million, bringing the total working capital of the ISSF to USD 98 million.



Oasis500

Oasis500, a pre-seed and seed fund manager and accelerator, fosters regional entrepreneurial growth by creating opportunities for aspiring entrepreneurs to build companies that boost the local economy.



King Hussein Business Park

Situated in Amman, KHBP is accommodating over 75 international and local companies, along with +100 startups and a workforce of 4,000 employees. KHBP also offers support in collaboration with the Ministry of Investment for registering startups under incubators and accelerators within the free zone, allowing them to access free zone benefits.



JOIN Fincubator

JOIN Fincubator was founded to modernize Jordan's economy and drive digital transformation in its financial sector. It's the result of collaborative efforts between the Central Bank of Jordan and the Jordan Payments and Clearing Company (JoPACC) to digitize payments and financial services, offering 24/7 accessibility and innovative solutions for a transformed financial experience for individuals and businesses.



JEDCO

JEDCO, established in 1972, is a government corporation supporting Jordan's private sector competitiveness in global markets. It designs and executes development programs across various sectors, offering technical and financial support to start-ups and SMEs to align Jordanian products with international requirements for sustainability and growth.



Queen Rania Center for Entrepreneurship

Established by Princess Sumaya University for Technology over two decades, QRCE has supported thousands of entrepreneurs, professionals, and students, guiding successful Jordanian startups. Their strategic plan focuses on capacity building, linkages, recognition, and startup support.



AB Accelerator

AB Accelerate is the Fintech-focused corporate accelerator of Arab Bank, whose objective is to accelerate the adoption of emerging technology and solutions within the bank. AB Accelerate is the docking point into the MENA region that supports startups globally to scale their business and become enterprise-ready.

2018-2022

Jordan Venture Investment Report

About MoDÉE

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About MoDEE

The Ministry of Digital Economy and Entrepreneurship (MoDEE) has evolved its role from the previous role of the Ministry of ICT towards creating the policies to enable the transformation towards a digital economy and support the enabling pillars for this transformation, including Digital Entrepreneurship, Digital Skills, Digital Financial Services, Digital Infrastructure, and Digital Platforms.

MoDEE performs its duties in cooperation with other government institutions and the private sector to overcome the challenges entrepreneurs face, including access to markets, funding, regulatory challenges, and talent.

Through a dynamic open partnership process, the Ministry works to create, promote, and drive new digital opportunities in Jordan, which will facilitate the positioning of the Kingdom as a regional and international player in technology adoption, development, and services. Information Technology (IT) and Telecommunications sectors are identified as particular drivers and enablers of economic and social growth.

MoDEE is responsible for achieving National goals and objectives within the Digital landscape as outlined in the Economic Modernization Vision 2023-2033. MoDEE uses various means and relationships to achieve them. In addition to developing, incubating, and supporting Digital initiatives at a national level (such as the digitization of governmental services, the National Broadband Program, and others), the Ministry's mandate includes stimulating local and foreign technology investments as well as promoting awareness and adoption of technology by all segments of the population, in an all-inclusive approach.

Vision

A secure and inclusive digital economy that achieves sustainable economic and social development.

Mission

Promote digital economy and entrepreneurship on a national level through a comprehensive process that supports the development of digital skills, digital services, digital assets, digital and social entrepreneurship, and the enabling environment in partnership with public and private sectors and civil society organizations.

Main Pillar and Strategic Objectives

- Jordanians have the skills to participate in the digital economy and business entrepreneurship.
- Digital Services - Integrated and reliable digital government services and systems that enhance government's efficiency.
- Efficient and effective use of data by the government.
- The Enabling Environment - Laws and regulations are fit for promoting digital economy and entrepreneurship.
- Confidence in the digital infrastructure and its ability to counter cybersecurity risks.
- Digital & Social Entrepreneurship - Open markets that are conducive to entrepreneurship, investment, and innovation.

2018-2022

Jordan Venture Investment Report

About MAGNiTT

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About MAGNiTT

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

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



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



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



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



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

Contact Us

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

MAGNiTT 's Data

30,000
Startups

10,000
Investment Firms

15,000
Funding Rounds

4,000
Founders

900
Exits

2,000
Investors

We Are The Reference For

العربية
alarabiya

Gulf Business

Bloomberg

CNN

Entrepreneur

crunchbase news

The National

Khaleej Times

+wamda

WORLD
ECONOMIC
FORUM

ARAB NEWS

TECH
Crunch

TECHINASIA

THE WALL STREET JOURNAL
WSJ

FT
FINANCIAL
TIMES

MAGNiTT Methodology

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

Data is the foundation of thriving entrepreneurship ecosystems.

Proprietary

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

Public

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

Engineering Data

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

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

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

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

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

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

Data lags: The data contained in this report comes directly from MAGNiTT, reported as of **June 30th 2023**. Data lags are most pronounced at the earliest stages of venture activity. The data aggregated for these rounds during the latest quarter, specifically with seed funding, increases significantly after the end of that quarter.

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

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

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

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

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

- Startups whose secondary focus is that industry

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

► All underlying data from the report is available online via magnitt.com/funding-rounds. For more info please visit magnitt.com or contact support@magnitt.com

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



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