



Saudi Arabia Private Capital Report



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Disclaimers

This report was produced in collaboration with Saudi Venture Capital (SVC), including dataset curation, data review, and narrative guidance. With data backed by PitchBook, the report reflects a joint effort to document the current state and evolution of Saudi Arabia's burgeoning private capital ecosystem. PitchBook's Custom Research Group vetted the interpretation of the data and the resulting narrative for alignment with PitchBook's standard report methodologies, except where custom definitions and exceptions applied, as detailed in the ["Methodology"](#) section of this report.

Private markets in a young but rapidly growing ecosystem are inherently opaque, and the analysis presented here reflects the limits of data availability across select datasets. As coverage of Saudi Arabia's private capital markets deepens and the ecosystem matures, this report aims to encourage domestic market participants to adopt greater transparency, which will help democratise access to insights drawn from otherwise elusive private markets data.

Market participants wishing to contribute to the continued development of this dataset may do so through either of the following methods. First, they may work with their designated Account Manager and Client Success Manager to review and update their organisation's PitchBook profile. Second, they may submit data feedback directly through the PitchBook Platform, either on their own profile or on any other profile identified as inaccurate or insufficiently detailed. Such contributions materially strengthen the quality and comprehensiveness of coverage across Saudi Arabia's private capital markets and are actively encouraged in support of a more transparent and well-documented ecosystem.

Executive summary

Saudi Arabia's private capital landscape is a small but burgeoning hub, buttressed by state capital and a growing class of venture capitalists and private equity (PE) firms working in tandem to funnel capital into the country's most innovative startups and policy-aligned projects. The sheer volume of private market transactions is driven by venture capital (VC) deals, while PE anchors the funding of the country's most capital-intensive projects. Each asset class has specific investment targets; VC funds emerging opportunities at the forefront of technological innovation, while PE firms often engage in single-asset buyouts.

Historically, the gears of private capital, VC and PE, have turned separately, but this is beginning to change. PE capital is being institutionalised as PE blind-pool funds enter the mainstream, and PE growth capital has slowly begun trickling down to VC-backed startups. It is this convergence that defines a developing private capital ecosystem that is conducive to scale and growth.

This report reflects a collaboration between SVC and PitchBook to provide greater visibility into Saudi Arabia's private capital growth story. It goes beyond PitchBook data, incorporating SVC's on-the-ground insights to surface trends that high-level data points would otherwise miss. The analysis that follows traces the Saudi growth story across dealmaking, exits, and fundraising. Given that the current market is predominantly venture driven, this report focuses primarily on venture data. As the ecosystem evolves, so too will the datasets used to track and quantify that evolution.

Dealmaking

Saudi Arabia entered 2026 as one of the world's fastest-growing venture ecosystems. In Q4 2025, it received the highest Growth Score in PitchBook's Global VC Ecosystem Rankings.¹ In the same vein, the kingdom led the MENA region in venture capital invested in 2025. Entering the first half of 2026, the kingdom's ecosystem was best characterised as nascent but rapidly

evolving. It was built in earnest starting only in 2018—when the Saudi government established Saudi Venture Capital (SVC) to invest in anchor funds fuelling innovation—and has absorbed a bout of regional volatility as its structural foundations continue to deepen. That nascency is also the lens through which the figures in this report should be viewed: In a market this young, aggregates can understate the underlying trajectory, while the more instructive signals lie in the composition, quality, and direction of activity rather than in YoY totals.

Saudi VC dealmaking in H1 2026 registered \$210.3 million across 55 deals, a pace that trails H1 2025's \$1.1 billion and 133 deals. The gap is largely due to timing. Amid heightened regional instability, no venture megadeals closed in the kingdom in H1 2026, and large venture-growth rounds were most impacted. Beneath the overall figures, the startup engine remains robust: In H1 2026, pre-seed/seed and early-stage rounds drove more than two-thirds of venture capital invested and total deal count, and the median early-stage cheque size increased 2.3x to \$7 million from \$3 million in 2025.

From a sector lens, software, particularly financial software, remained the primary growth driver of VC funding activity. In H1 2026, software investments drew two-thirds of VC deal value (\$139.5 million). Financial software alone attracted \$95.2 million. Saudi Arabia's strength in finance-related technologies speaks to its innate economic advantages and its demographics, all of which have served as tailwinds, enabling the rise of regional fintech champions like Rasan, Tamara, and Tabby. Underneath the software investments, AI remains a greener but emerging investment thesis. Other emerging areas include specialised finance, internet retail, and entertainment software.

Saudi PE dealmaking has followed a different trajectory from its venture counterparts. PE deal activity was more resilient in H1 2026 with 17 closed deals totalling \$833.5 million in invested capital. In fact, the H1 PE deal value is nearly double the amount of capital invested across all of 2025.

Exits

Exits paused in H1 2026, with no VC-backed liquidity events recorded, consistent with an ecosystem whose first institutional venture cohort is only now approaching exit-ready scale. Since 2016, 29 VC-backed companies have exited, generating nearly \$3 billion for investors. Exits have been achieved primarily through acquisitions, but the depth of public markets continues to drive the largest exits in the kingdom. The Saudi Exchange fully opened to nondomestic investors this year, actively courting technology listings;² liquidity is expected to follow as the 2021-to-2023 cohort matures and regional conditions normalise.

Fundraising

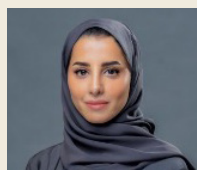
Fundraising was the quietest area of activity in H1 at \$50.9 million across two emerging-manager funds. Yet dry powder is still being put to work, GPs continue to scale successor and target fund sizes, and the rise of blind-pool PE funds signals ecosystem maturation. The through line across Saudi dealmaking, exits, and fundraising is that the moderation in H1 2026 reflects external conditions and the natural rhythm of a young market, not a loss of structural momentum. As stability returns, megadeals, exits, and larger fund closes are expected to accelerate in H2 2026 and 2027.

The report's key takeaways include:

- The H1 2026 slowdown is cyclical, not structural. Moderation across dealmaking, exits, and fundraising activity reflects the impact of regional volatility and characteristics of a burgeoning private capital market, with activity expected to reaccelerate as regional stability returns through H2 2026 and 2027.

- VC dealmaking resilience materialised at the earliest stages of financing. H1 2026 VC deal activity trailed H1 2025 levels with no megadeals closed and regional instability weighing on risky VC investment bets. However, pre-seed/seed and early-stage activity drove more than two-thirds of deal volume, and the median early-stage cheque size grew 2.3x to \$7 million. VC funding into Saudi software companies, particularly financial software, also supported funding momentum.
- PE dealmaking activity remains smaller in volume but larger in scale. Single-asset buyouts are more common in Saudi Arabia and are used to fund capital-intensive projects, which have supported strong PE deal value. However, a shift towards blind-pool PE funds is underway.
- Exits paused with no VC-backed liquidity events, consistent with an ecosystem whose first institutional venture cohort is only now approaching exit-ready scale. But the pipeline is deepening, anchored by the Saudi Exchange, which has fully opened to nondomestic investors.
- Fundraising was seemingly quiet with \$50.9 million across two emerging-manager funds. Yet nearly \$2.5 billion in aggregated target fund sizes across 19 open funds will rewrite Saudi Arabia's fundraising story if these funds close at their target sizes in the near future. Announced in March, the government's new Capital Market Authority (CMA) fund frameworks (the Simplified and Financing Investment Fund regimes) are also strengthening the market's regulatory infrastructure.

Message from ecosystem



Athary Almubarak
Chief Strategy
Officer, SVC

To build a market is to build the means to understand it. SVC's first collaboration with PitchBook does exactly that. This partnership sits at the heart of our mandate as a market maker and reflects a deliberate choice to invest in the data and transparency a maturing market depends on.

Capital is only one layer of that work. A fast-developing ecosystem also needs institutions, standards, and a clear picture of itself. The result is already visible: Foreign investors have more than tripled since 2019, now spanning the US, Europe, and Asia. By bringing PitchBook's global standard to Saudi private capital data, this collaboration gives founders, managers, investors, and policymakers a sharper view of where capital is forming, where it is stalling, and where the gaps lie, the visibility that lets SVC intervene with precision and keeps drawing capital to the kingdom.

This report shows why that matters. The headline figures for H1 2026 capture the surface; a few levels below, a more instructive picture emerges: Early-stage formation deepened, cheque sizes rose, and private equity deal value surpassed all of last year, with liquidity expected to follow as conditions settle. Economic cycles are natural to every market, and understanding how they move each asset class, and by how much, is essential strategic intelligence. What the data reveals is a market consolidating its foundations. SVC will keep building both: the market and the means to understand it.



Abdulaziz Al Omran
Chief Executive Officer,
Impact46

Over the past decade, Saudi Arabia's venture capital ecosystem has transformed remarkably. Once an emerging market with limited risk capital, it is now a dynamic ecosystem supporting entrepreneurs at every stage. This evolution is reflected in a structured landscape spanning early-stage venture capital, growth capital, and later-stage co-investments. Sector-focused investment in emerging technologies reflects growing depth and specialisation.

At Impact46, we have had a front-row seat to this transformation, investing across early-stage, growth, and thematic strategies. This has deepened our conviction in the local innovation economy. Backed by ambitious founders, government support, and domestic capital, startups are positioned to scale, attract follow-on investment, and compete globally. While milestones have been achieved, the journey is only beginning. We remain confident in Saudi Arabia's venture capital trajectory and Impact46's role supporting globally competitive companies, sustainable economic impact, and long-term innovation.



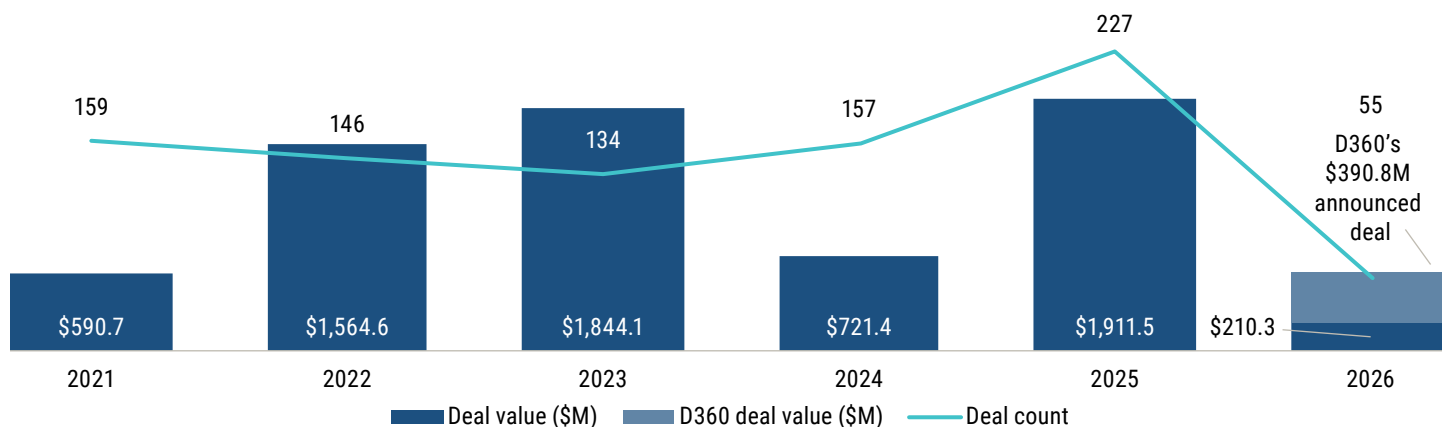
Turki Al-Dayel
Founder & Chief
Executive Officer,
Growth Catalyst

Saudi Arabia's private capital market is entering a defining phase. For years, the middle market has been underserved, with capital concentrated at the venture stage or in large buyouts. The emergence of dedicated blind-pool private equity funds is beginning to close that gap, giving institutional investors disciplined, diversified access to a segment that sits at the heart of the real economy.

At Growth Catalyst, our recent first close reflects that shift. With backing from SVC and leading institutional offices, we are deploying patient capital into profitable middle-market businesses across industrial, services, consumer, healthcare, and technology. We see the Saudi middle market as the country's most compelling opportunity: proven operators with the fundamentals to scale and to lead the next chapter of Vision 2030. The institutional infrastructure is finally catching up to the ambition.

Dealmaking

VC deal activity



Source: PitchBook • Geography: Saudi Arabia • As of 30 June 2026

Note: D360's \$390.8 million announced round is an outlier that is expected to materially alter the H2 2026 dealmaking narrative should it close within the next six months.

Structural strength holds through a turbulent first half

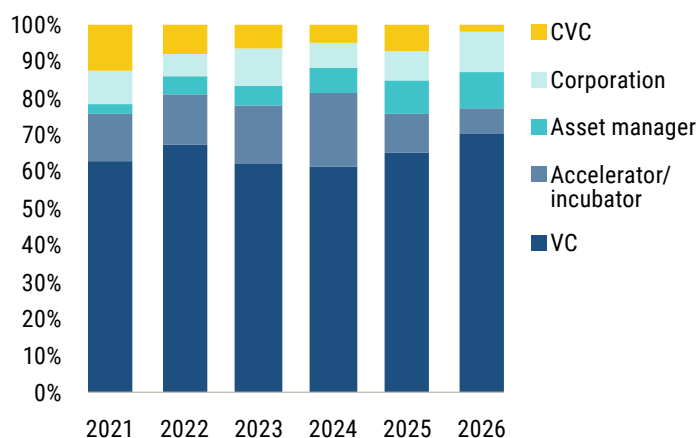
Considering how green Saudi Arabia's private capital landscape is, its venture story and startup funding rates provide a clearer picture of its wider private market footprint than high-level dealmaking figures alone. Despite the Saudi landscape's youth, PitchBook's Q4 2025 Global VC Ecosystem Rankings, which measure short-, medium-, and long-term growth momentum in deal, exit, and fundraising activity, ranked Saudi Arabia as the fastest-growing market.³ Its Growth Score—an indicator evaluating growth momentum across a multiyear period—topped the rankings at 83.5 out of 100.

Saudi Arabia's institutional venture ecosystem began in earnest in 2018, the year SVC was established under Saudi Vision 2030. As a government-anchored private capital investor, SVC—currently operating as a subsidiary of the Small and Medium Enterprise Bank, which is a part of the National Development Fund (NDF)—was designed to seed a domestic base of professional VC managers and draw in private and international capital. SVC's impact on the ecosystem since its founding is

visible in the data: The kingdom moved from a low base of \$60.1 million across 54 deals in 2018 to a deeper market by the end of 2025, when Saudi startups raised \$1.9 billion across 227 deals. In other words, today's venture ecosystem has seen more than 30 times the capital invested and four times the transaction volumes of 2018. Limited venture and accelerator funding activity preceded SVC's founding, but 2018 was an inflection point at which formal, institutional venture financing took hold in Saudi Arabia, driving dealmaking momentum that has defined the past five years.

SVC's participation has strengthened the durability of the ecosystem's build-out. As a private capital investor, SVC is primarily focused on committing capital to private fund managers but has also been involved in direct investments and co-investments with funds. Such involvement in the ecosystem has cultivated a domestic bench of professional GPs and attracted private and international LPs alongside government capital. That model has steadily widened the base of active managers and, by sharing risk, drawn first-time institutional commitments to the asset class.

Share of VC deal count by top five investor types



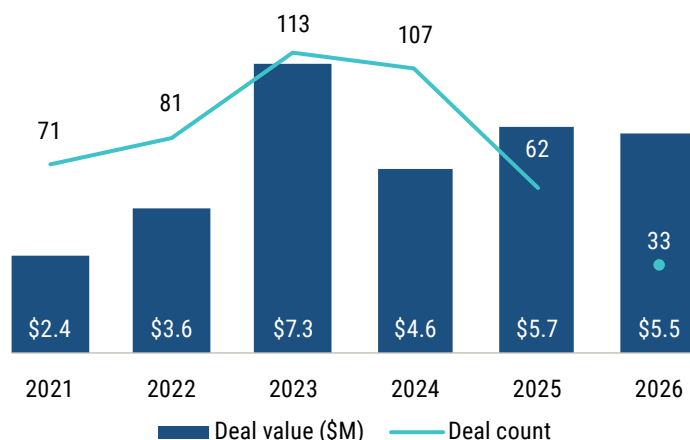
Source: PitchBook • Geography: Saudi Arabia • As of 30 June 2026

The result has been an ecosystem whose growth is anchored in repeatable fund formation rather than one-off mandates, a structural feature that tends to compound over time. This impact has been most material for VC and accelerator/incubator investors. These two investor types have been the most active participants in Saudi VC deals, consistently involved in well over half of the VC transactions closed since 2018.

Saudi Arabia's private capital market entered 2026 having scaled rapidly since SVC's establishment in 2018—intended to stimulate and support startup financing pursuant to the Saudi Vision 2030 plan to diversify the country's economic base—at a pace few ecosystems could match. Annual VC deal value climbed from \$181.4 million across 109 deals in 2020 to a record \$1.9 billion across 227 deals in 2025, the product of a deliberate, policy-led build-out of Saudi Arabia's startup financing infrastructure. Against that backdrop, the first half of 2026 reads as a pause rather than a reversal: VC investors deployed \$210.3 million across 55 deals, a pace that trails H1 2025's \$1.1 billion but reflects a market digesting an unusually volatile period rather than a structural cooling.

Geopolitically induced volatility is the essential context behind H1 dealmaking. Since the Middle East became embroiled in conflict, the global economy has been hit in a myriad of ways, including by increased oil and gas prices, maritime insurance premiums, and, ultimately, inflation rates.⁴ Energy prices, in particular, have already increased projected short-run inflation rates, weighing on business and consumer sentiments. Naturally, such geopolitical instability in the region weighed on global and regional risk appetite, especially for the venture-

Accelerator/incubator deal activity



Source: PitchBook • Geography: Saudi Arabia • As of 30 June 2026

growth rounds that usually drive headline-making value. These are also the deals that take the longest to close, and they are expected to accumulate in H2 2026 if conditions settle towards the latter half of the year. The clearest evidence of this trend is at the high end of the deal size range: Saudi Arabia produced no megadeals in H1 2026 despite accounting for 72.9% of MENA megadeal value and 75% of MENA megadeal count in 2025 with six transactions that year. Saudi Arabia's slower pace of megadeals is a function of late-stage timing, not underlying demand.

Data on Saudi Arabia's most nascent players at the top of the VC funnel reinforces its position as the world's fastest-growing startup ecosystem. Accelerator/incubator deal activity, which occurs at the earliest measurable stage of company formation, has demonstrated significant momentum with \$4 million to almost \$8 million invested each year since 2023, when capital invested doubled and deal count grew by nearly 40% YoY. In H1 2026, \$5.5 million was invested, already marking the third-strongest year on record for these channels. The number of transactions generating these totals has decelerated from its peak in 2023, but the presence of larger deals is a signal that companies are attracting more substantial investment at critical development stages. Among the H1 accelerator/incubator deals, entertainment software was the standout, drawing 22 deals (66.7%), a sign of an emerging creative-tech cluster in Saudi Arabia. The most active programmes are a mix of domestic and global anchors, including the King Abdullah University of Science and Technology's TAQADAM startup accelerator, the Sanabil Accelerator by 500 Global, stc group's inspireU, Flat6Labs, and the Misk 500 programme, evidence of

an institutionalised pipeline-building apparatus. Corporate VC (CVC) firms also remained engaged, participating in 12 deals totalling \$64.1 million in H1 2026, led by strategic investors such as Aramco-backed Wa'ed Ventures.

Resilience has been most material at the earliest stages of financing

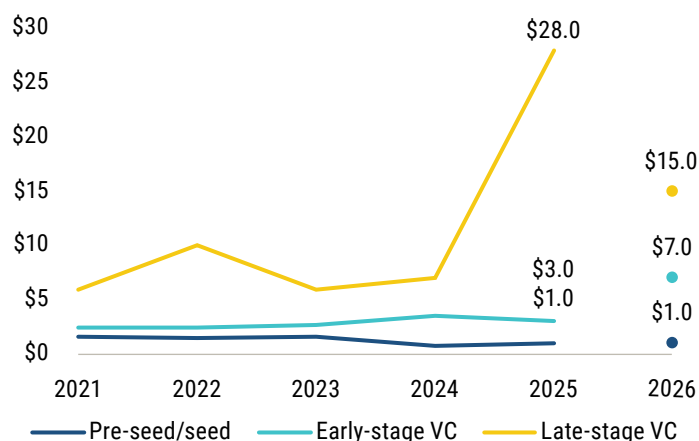
The composition of today's VC activity is characteristic of a young ecosystem still building its foundations. In H1 2026, pre-seed/seed and early-stage rounds accounted for 72.7% of deal count and 67.2% of capital deployed. Growth in deal sizes from 2025 to H1 2026 indicates sustained dealmaking strength despite the overall shortfall in VC deal volumes. The median early-stage deal size rose to \$7 million, which was 2.3x the \$3 million recorded in 2025, while the median pre-seed/seed deal size held steady at \$1 million. A market weighted towards early-stage formation, with rising cheque sizes, is a prerequisite to enabling a wave of growth-stage and megadeal activity later in the year.

A brief regional comparison provides further evidence of an ecosystem that is young but quickly evolving. In 2025, Saudi Arabia led MENA VC deal value at \$1.9 billion versus the United Arab Emirates' (UAE's) \$1.2 billion and was nearly tied with the country on volume at 227 deals versus the UAE's 231, consistent with PitchBook's ranking of Saudi Arabia as the region's fastest-growing VC market. The first half of 2026 saw the UAE lead deal value on the strength of its megadeals, but the kingdom's resilient dealmaking activity and growing pipeline of early-stage companies demonstrate the young ecosystem's durability in times of geopolitical uncertainty.

Software anchors Saudi Arabia's innovation

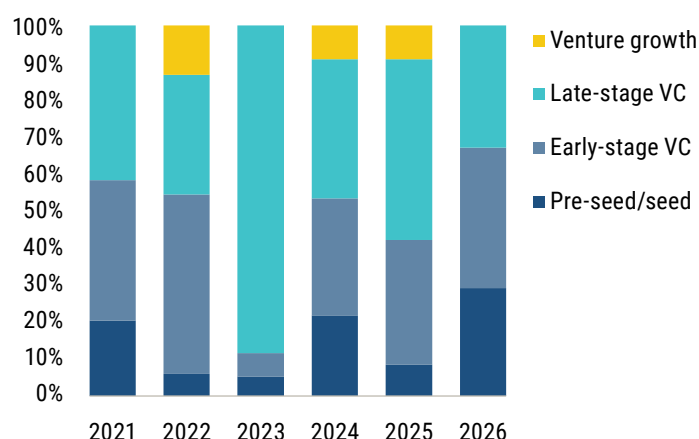
Software is Saudi Arabia's leading sectoral strength. In H1 2026, it captured two-thirds of VC deal value at \$139.5 million and nearly half of deal count at 23 deals. Within software, financial software was the most funded subsector (\$95.2 million), ahead of the second-most-funded subsector, business/productivity software (\$41.5 million). Aside from software funding capturing the most venture dollars across all industries, the "other financial services" industry ranked third (\$33.2 million). In other words, fintech is not merely a sectoral strength but the core of the kingdom's software story.

Median VC deal value (\$M) by stage



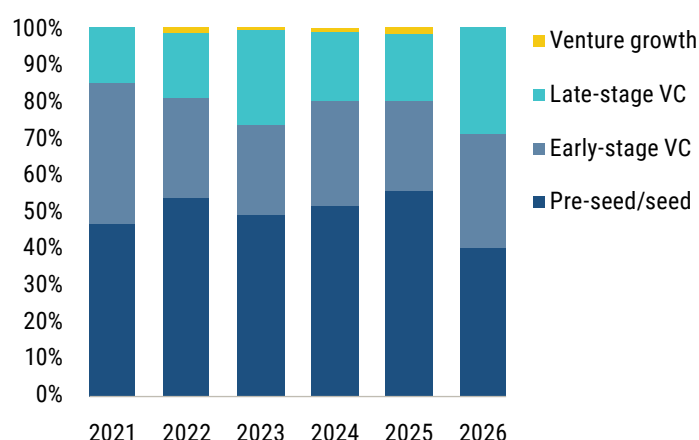
Source: PitchBook • Geography: Saudi Arabia • As of 30 June 2026
Note: Venture-growth deals are excluded.

Share of VC deal value by stage



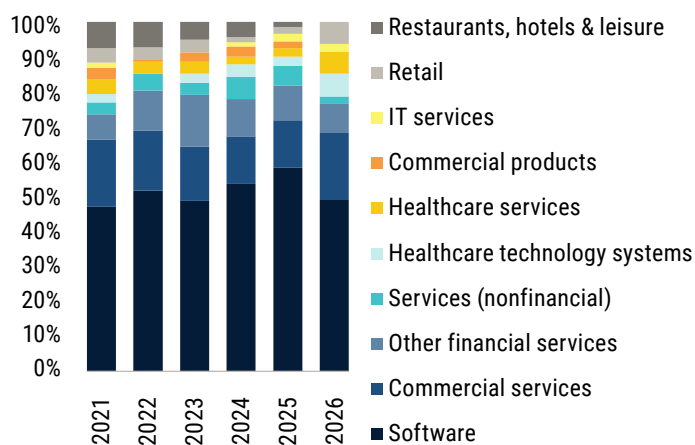
Source: PitchBook • Geography: Saudi Arabia • As of 30 June 2026
Note: The deal values captured in this dataset reflect only disclosed values.

Share of VC deal count by stage



Source: PitchBook • Geography: Saudi Arabia • As of 30 June 2026

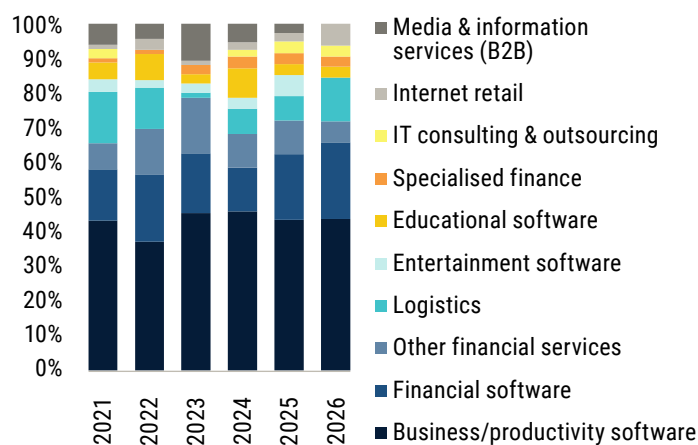
Share of VC deal count by top 10 industries



Saudi Arabia's economic advantages explain why it excels at the intersection of software and finance and why venture capital concentrates there. Saudi Arabia is a high-income economy anchored by the largest market capitalisation in MENA and a financial services sector that sits at the heart of Vision 2030, supported by a banking system with assets totalling roughly \$1.3 trillion (SAR 5 trillion) and net foreign assets totalling \$473.6 billion as of March 2026.^{5,6} Its population is young, digitally native, and fast-growing, and more than 700 multinational companies have relocated their regional headquarters to Riyadh under the Vision 2030 agenda.⁷ Those conditions make payments, lending, insurance technology (insurtech), and enterprise software natural investment targets for both consumers and businesses, mapping the most active venture sectors directly onto the kingdom's underlying economic base. The CMA and Saudi Central Bank also operate their own respective Saudi fintech regulatory sandboxes,⁸ enabling the sector's growth and investors' trust. This kind of alignment tends to produce durable, fundable investment targets that become structural strengths of the burgeoning Saudi startup ecosystem. The kingdom's most visible venture successes reflect this. Formerly VC-backed Rasan became the first listed fintech and insurtech company in the Middle East, while buy now, pay later (BNPL) companies Tamara and Tabby have scaled into billion-dollar regional leaders and are eyeing a Saudi Exchange listing.

A much more nascent investment thesis is AI. Deals in generative AI, large language models, and AI agents remain sparse, but notable efforts are underway to build a homegrown champion, led by Public Investment Fund (PIF)-backed HUMAIN. Chaired by His Royal Highness Crown Prince and Prime Minister Mohammed bin Salman bin Abdulaziz Al Saud,

Share of VC deal count by top 10 subindustries



Five-year VC deal count CAGR by subindustry (2021-2025)

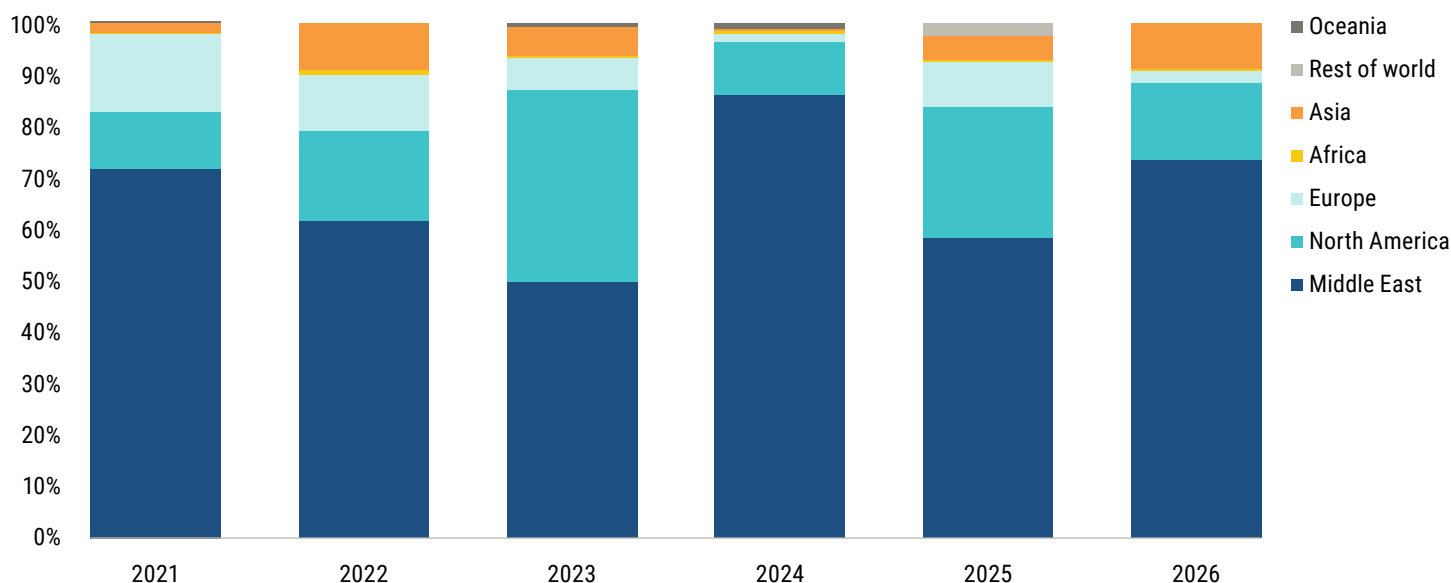
	CAGR
Specialised finance	38.0%
Internet retail	32.0%
Entertainment software	24.6%
Other financial services	20.1%
IT consulting & outsourcing	20.1%
Financial software	19.3%
Business/productivity software	13.9%
Educational software	4.6%
Logistics	-1.7%
Media & information services (B2B)	-4.4%

Source: PitchBook • Geography: Saudi Arabia • As of 30 June 2026

HUMAIN was established by royal directive in May 2024, effectively consolidating existing national AI capabilities into a single unified entity.⁹ This state initiative is intended to build the digital framework and infrastructure needed for subsequent AI innovation to occur in the Middle East.

Other emerging subsectors that have seen compound annual growth rates (CAGRs) in deal volumes above 20% include specialised finance (38%), internet retail (32%), and entertainment software (24.6%). These were the fastest-growing sectors backed by VC based on the number of deals completed from 2021 to 2025.

Share of cross-border VC deal value with nondomestic investor participation by investor region



Source: PitchBook • Geography: Saudi Arabia • As of 30 June 2026

Note: Regional deal values are not mutually exclusive. If investors from two regions participated in the same deal, then that deal would be included in the deal value for both regions.

Homegrown capital continues to ground Saudi Arabia's private market ecosystem

The extent of international capital participation is indicative of an ecosystem's broader appeal and can also serve as a proxy for its maturity. In the case of Saudi Arabia, its funding base is derived primarily from Middle Eastern and domestic sources. Middle Eastern investors participated in the majority of Saudi Arabia's cross-border VC deals in H1 2026 at 58 total transactions. In other words, 64.4% of all cross-border VC deals to close in Saudi Arabia contained at least one nondomestic investor from the Middle East. In fact, aside from US-based 500 Global, the most active cross-border investors are regional, led by the UAE's Shorooq Partners and Egypt's Flat6Labs.

The depth of domestic funding continues to be a defining feature of Saudi Arabia's private capital. Seven of the 10

most active investors in Saudi VC deals—based on the total number of deals executed since 2021—are domiciled in Saudi Arabia: Aramco's Wa'ed Ventures, Impact46, STV, Raed Ventures, SEEDRA Ventures, RZM Investment, and Vision Ventures. At the same time, overseas investors' convictions are deepening. The number of nondomestic investors maintaining a Saudi office and completing at least one VC deal annually climbed from one in 2016 to a peak of 19 in 2024 and held at 19 in 2025; thus far in 2026, nine such investors have been active. The kingdom's innovation ecosystem is experiencing a structural entrenchment and gradual diversification of its private market investor base as the country democratises access to its capital markets and privatises certain industries pursuant to Saudi Vision 2030. Just over a decade since its launch, the fruits of this initiative as they pertain to private markets are self-evident, but there is always room for progress.

Top VC investors by deal count since 2021

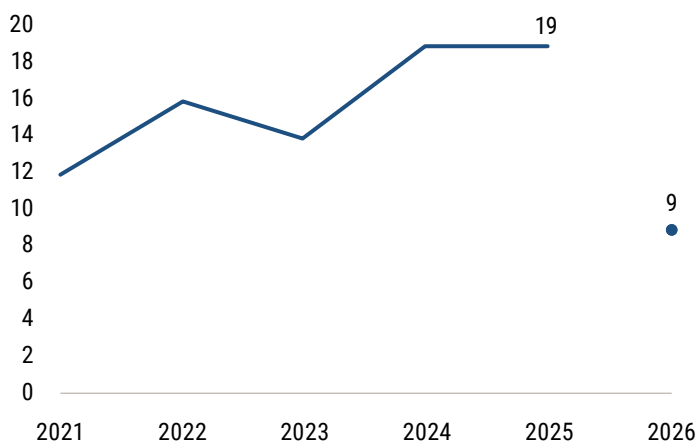
Investor	Deal count	Location	Investor type
500 Global	58	Palo Alto, US	Accelerator/incubator
Wa'ed Ventures	51	Dhahran, Saudi Arabia	CVC
Impact46	46	Riyadh, Saudi Arabia	VC
STV	36	Riyadh, Saudi Arabia	VC
Raed Ventures	34	Riyadh, Saudi Arabia	VC
Shorooq Partners	33	Abu Dhabi, UAE	VC
SEEDRA Ventures	33	Riyadh, Saudi Arabia	VC
RZM Investment	30	Riyadh, Saudi Arabia	Family office
Vision Ventures	30	Dammam, Saudi Arabia	VC
Flat6Labs	28	Cairo, Egypt	Accelerator/incubator

Source: PitchBook • Geography: Saudi Arabia • As of 30 June 2026

Sovereign and strategic capital has served as the pillar of this ambitious initiative, supplying much of the initial capital in domestic deals and funds. Anchor institutions—including the NDF and its private capital arm SVC as well as PIF and its private capital investors Jada and Sanabil—alongside corporate investors such as Aramco's Wa'ed Ventures and stc group's investment vehicles act simultaneously as direct investors and as anchor LPs in domestic funds. Their participation lends scale and signalling power that help catalyse co-investment from regional and international funds. This concentration of patient, strategically aligned capital is unusual for an ecosystem of this age, and it is a core reason that Saudi Arabia's funding base has reached critical mass faster than its years alone would suggest.

The trends defining the first half of the year necessitate patience for when the tides turn rather than indicating structural weaknesses in the ecosystem. Early-stage dealmaking held steady even as aggregate value softened, and the rounds most exposed to the global backdrop—large venture-growth and late-stage deals—tend to be the first to recover when sentiment improves. As the region awaits a semblance of geopolitical stability, which may be marked by a normalisation of gold and silver prices (otherwise known as safe-haven assets),¹⁰ domestic capital from corporates, venture firms, and government-backed investors alike will continue to fortify and nurture Saudi Arabia's private market ecosystem. With a deep bench of pre-seed, seed, and early-stage companies now funded, the pipeline for the next

Count of unique nondomestic VC investors based in Saudi Arabia that have made at least one VC investment

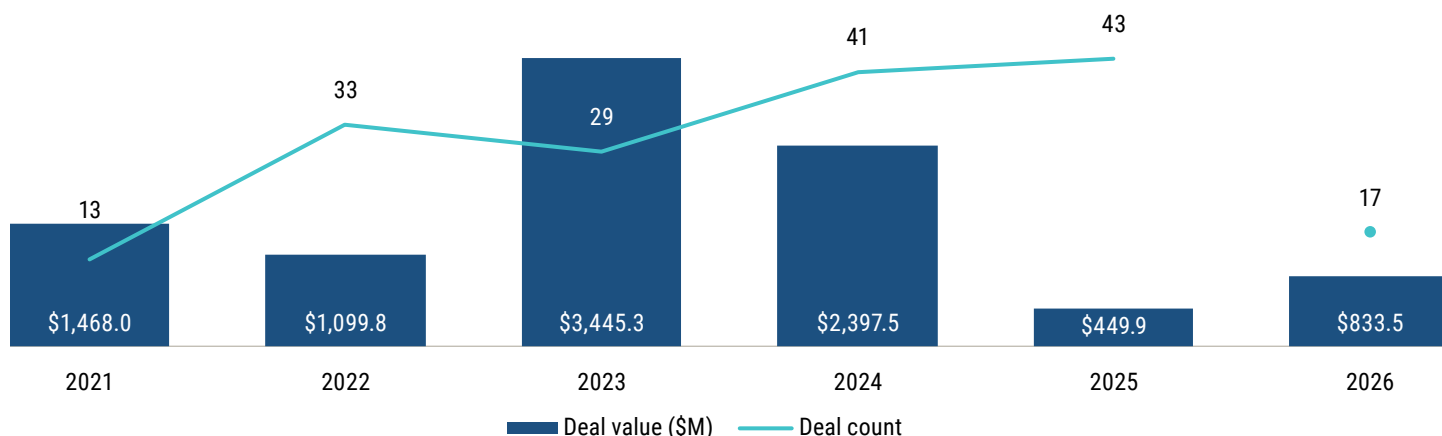


Source: PitchBook • Geography: Saudi Arabia • As of 30 June 2026

Note: This chart represents the count of unique nondomestic investors that have participated in at least one VC deal in Saudi Arabia and have a regional office in Saudi Arabia. The annual counts are not cumulative.

wave of megadeals is in place, and domestic capital will likely fuel it. At the same time, the kingdom is slowly but gradually opening its doors to overseas capital, creating an even greater opportunity to deepen its capital pool and widen the networks available to Saudi founders. The building blocks to a world-class startup ecosystem exist, but what had yet to materialise in H1 was the risk appetite to fund them.

PE deal activity



Source: PitchBook • Geography: Saudi Arabia • As of 30 June 2026

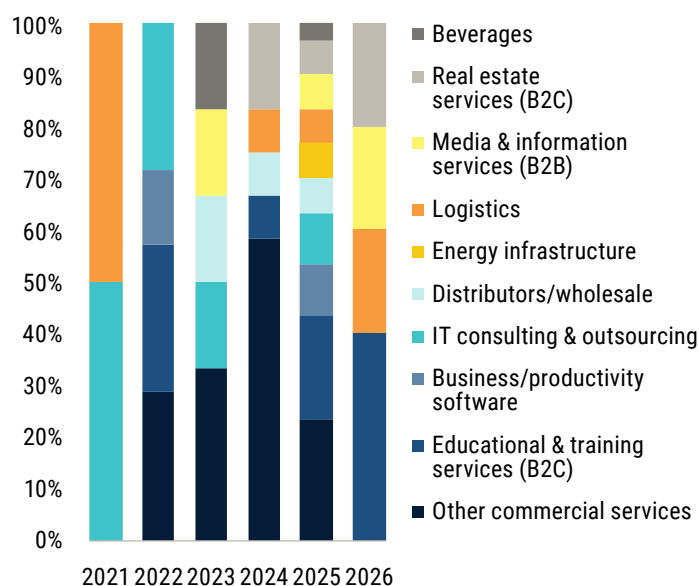
PE capital anchors more traditional and capital-intensive plays, but convergence with the venture ecosystem is underway

Saudi PE deal activity tells a more dynamic story and serves as a signal of ecosystem maturity, driven by PE capital invested rather than transaction volumes. The traditional PE playbook targets mature, cash-generative businesses, and Saudi PE has scaled accordingly. PE deal value has reached \$833.5 million across 17 deals YTD, already exceeding full-year 2025's \$449.9 million across 43 deals. On the other hand, while annualised H1 2026 PE transaction volumes still show a slower year compared with 2025, a 20.9% YoY decline in PE deal volumes outperformed VC. Both buyout activity and growth/expansion activity have proven resilient even as venture's aggregate figures have softened, demonstrating that institutional capital continues to find scaled opportunities in the kingdom.

The nuance worth flagging is that much of this PE activity involved single-asset buyouts of established, often non-venture-backed businesses. Thus, it signals a maturing broader private capital market more than it does a maturing venture pipeline specifically. The most telling sign for the venture cohort is the light but steady flow of PE growth/expansion deals into formerly VC-backed companies from 2024 to 2026, early evidence that the first venture generation is beginning to progress towards later-stage capital. Reinforcing this, the market has begun to see more blind-pool PE funds emerge, signalling private-sector interest in following a success story comparable to VC, alongside growing appetite among asset owners to engage with investors.

While venture dollars flow into high-growth opportunity sets in software, PE works as a complement in the Saudi ecosystem,

Share of PE deal count by top 10 subindustries

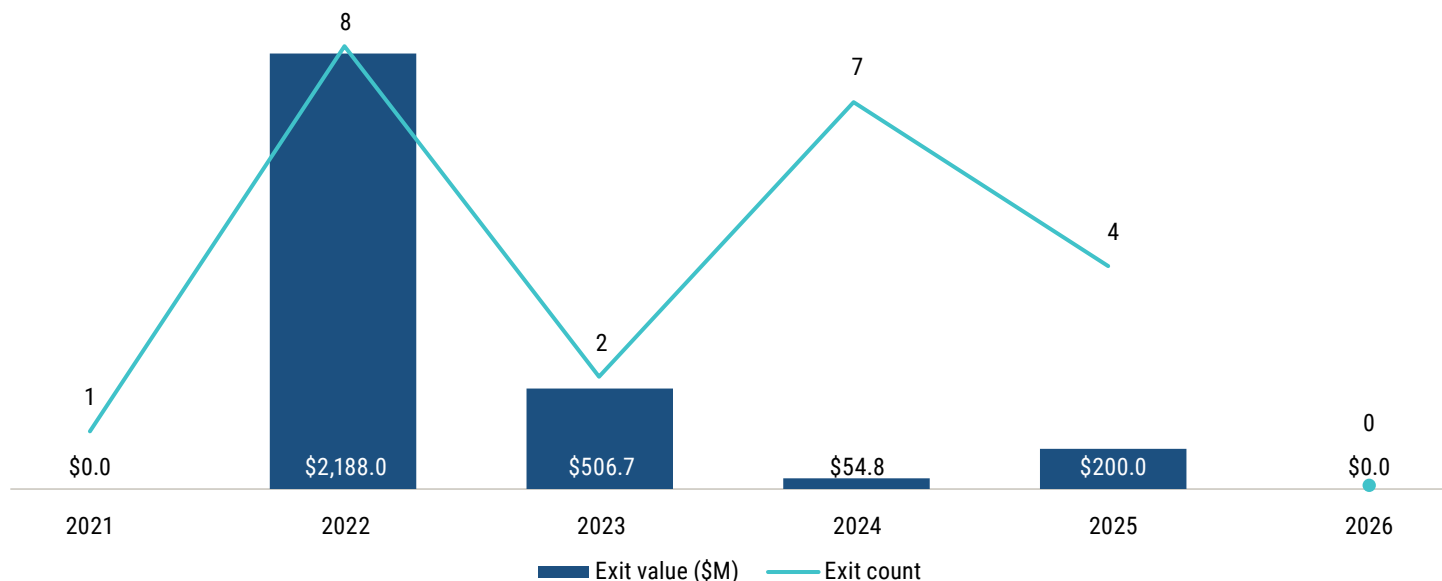


Source: PitchBook • Geography: Saudi Arabia • As of 30 June 2026

funding different parts of the economy that do not make suitable candidates for venture backing. In H1 2026, PE concentrated in established sectors—B2B at \$450 million, B2C at \$223.7 million, and healthcare at \$159.8 million—while venture stayed tilted towards software. While these trends align with the traditional PE playbook, market participants should remain on the lookout for an acceleration in PE growth/expansion transactions and their continued convergence with the venture-backed universe. Such developments would signal a graduation of Saudi Arabia's earliest generation of venture-backed startups to the scale-up phase of mature companies.

Exits

VC exit activity



Source: PitchBook • Geography: Saudi Arabia • As of 30 June 2026

Intermittent exit activity with a maturing cohort behind it

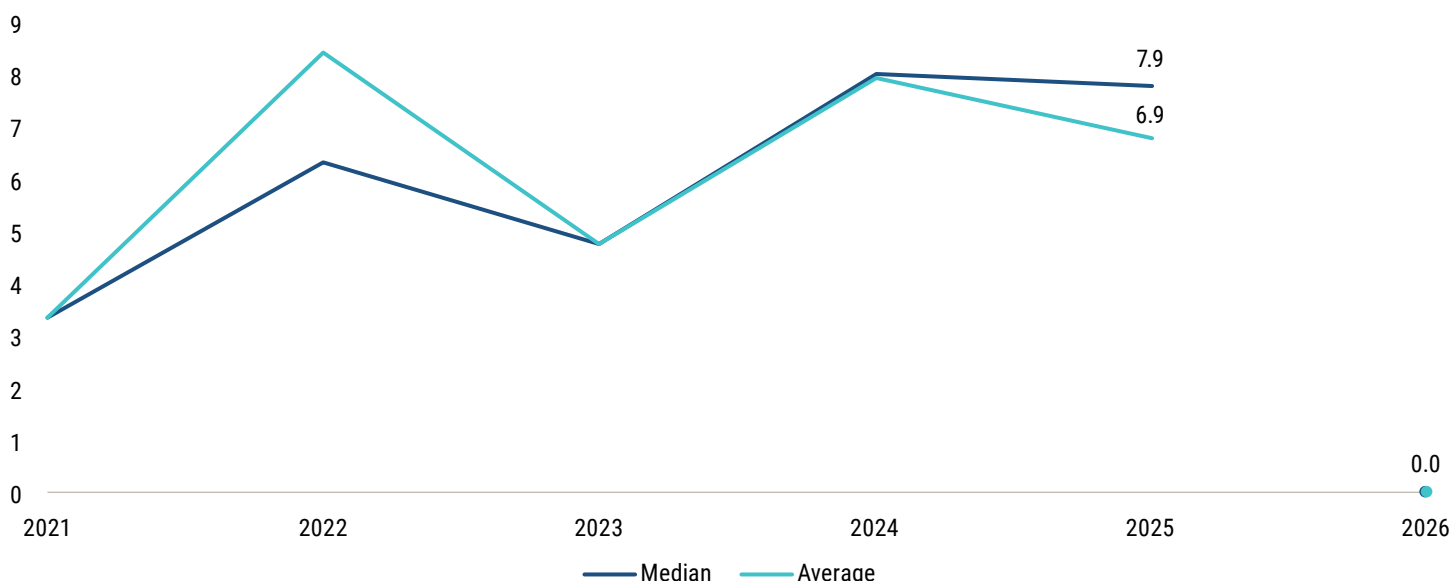
As an emerging ecosystem, Saudi Arabia has demonstrated episodic exit activity for VC-backed companies. Saudi Arabia saw a peak of \$2.2 billion across eight exits in 2022, driven by the landmark Saudi Exchange listing of food-delivery platform Jahez. Since this headline deal, 13 VC-backed companies in the kingdom have exited for a cumulative value of more than \$750 million. In 2025, Saudi Arabia generated \$200 million across four exits, while none closed in the first half of 2026.

Two forces explain the absence of exits in H1 2026 despite the past four years of steady exit activity. First, the ecosystem is still relatively green. The first institutional venture cohort, financed from 2018 onwards, is only now entering the time frame in which exits typically occur, so the lean exit period is the consequence of the ecosystem's age. Second, the regional instabilities in early 2026 have pushed out strategic-sale and IPO timelines. Any variable that gives rise to investor uncertainty tends to disrupt the flow of scale capital and weigh on investor sentiment about fundraising and exit strategies.

Because institutional venture financing took hold in 2018 and Saudi VC-backed companies currently take between six and seven years to reach a liquidity event, the first sizable wave of exit-ready companies is expected to materialise over the next year should regional stability return. What matters for the forward-looking view is the size and quality of the maturing cohort behind it, and on that measure the pipeline is expanding. The catalysts for future momentum include a normalisation of regional geopolitics, the continued opening of the Saudi Exchange, and the marquee listings of technology companies. Each of these could unlock a cluster of follow-on exits as it reprices the entire late-stage cohort.

The median time to exit for Saudi VC-backed companies was 7.9 years in 2025, modestly above the MENA median of 6.9 years. The average figure for Saudi companies edged down from 8 years in 2024 to 6.9 years in 2025. Reaching exit-ready scale takes time, and the kingdom's runway is consistent with that of a maturing market. The industries that have produced the kingdom's largest exits—B2C and financial software—indicate where future liquidity is most likely to concentrate at the beginning of the dealmaking cycle.

Median and average time (years) to exit for VC-backed companies

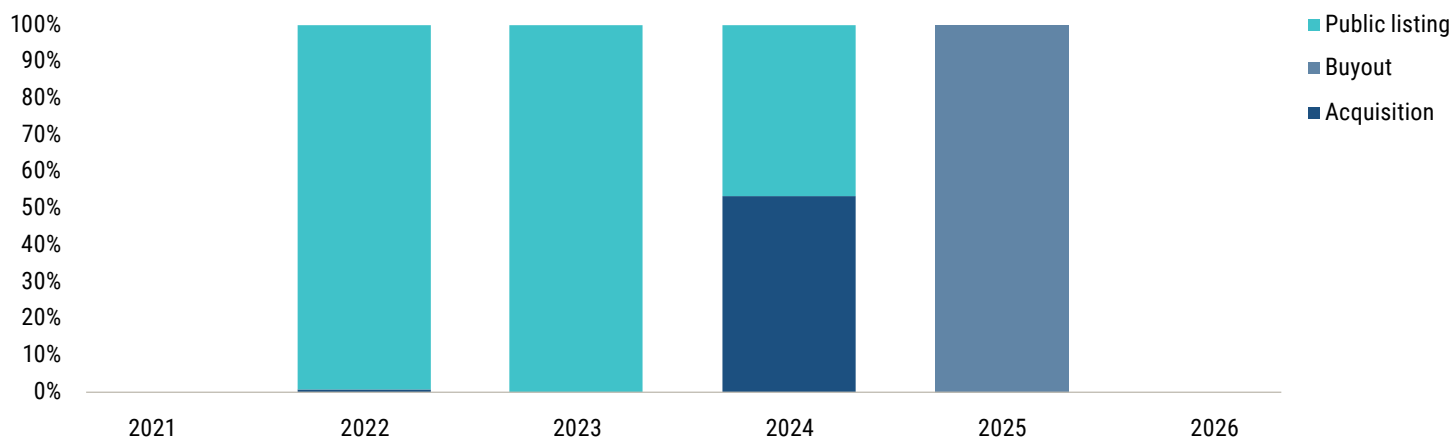


Source: PitchBook • Geography: Saudi Arabia • As of 30 June 2026

How VC-backed Saudi startups are achieving liquidity points to a widening set of exit pathways. By count, acquisitions have accounted for the vast majority of the kingdom's exits over the past decade, while public listings, albeit sparser, have delivered the bulk of realised value. The kingdom also recorded its first buyout-led VC exit in 2025 at \$200 million (Mrsool)—a relatively small but meaningful broadening of the domestic liquidity tool kit. As the VC ecosystem matures and companies reach the operational scale that PE firms usually target, PE buyers offer an additional exit channel, often drawn to maturing startups for their potential as platforms or add-ons in their portfolios. This in turn gives VC investors a route to liquidity that does not depend on public-market timing.

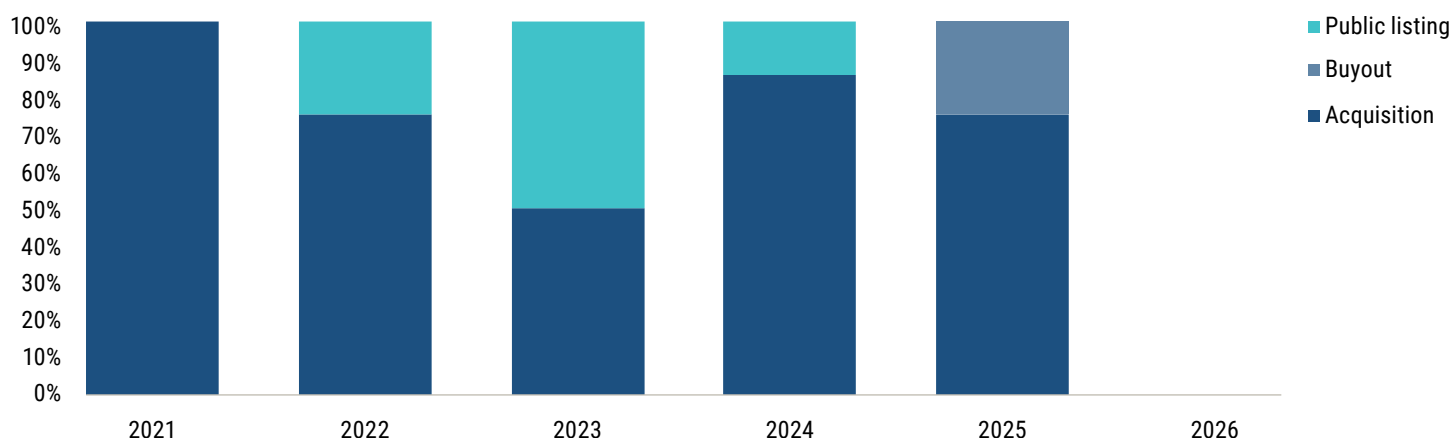
That said, the structural backdrop for IPOs is growing as well. Public listings have historically provided the most valuable exit route for Saudi Arabia's VC-backed companies, from Jahez's roughly \$2.2 billion 2022 listing to insurtech company Rasan's 2024 Saudi Exchange IPO. The Saudi Exchange is the largest exchange in MENA, with a market capitalisation of approximately \$2.6 trillion (SAR 9.8 trillion) in mid-2026,¹¹ and its depth is underscored by Aramco's \$11.2 billion secondary offering in 2024. The CMA's 2026 opening of the Saudi Exchange's Main Market to nondomestic investors is explicitly aimed at broadening the market beyond its traditional banking-and-energy core towards technology, healthcare, and consumer names,¹² and SVC and Endeavor survey data further illustrates a strengthening domestic IPO pipeline.¹³

Share of VC exit value by type



Source: PitchBook • Geography: Saudi Arabia • As of 30 June 2026
 Note: The exit values captured in this dataset reflect only disclosed values.

Share of VC exit count by type



Source: PitchBook • Geography: Saudi Arabia • As of 30 June 2026

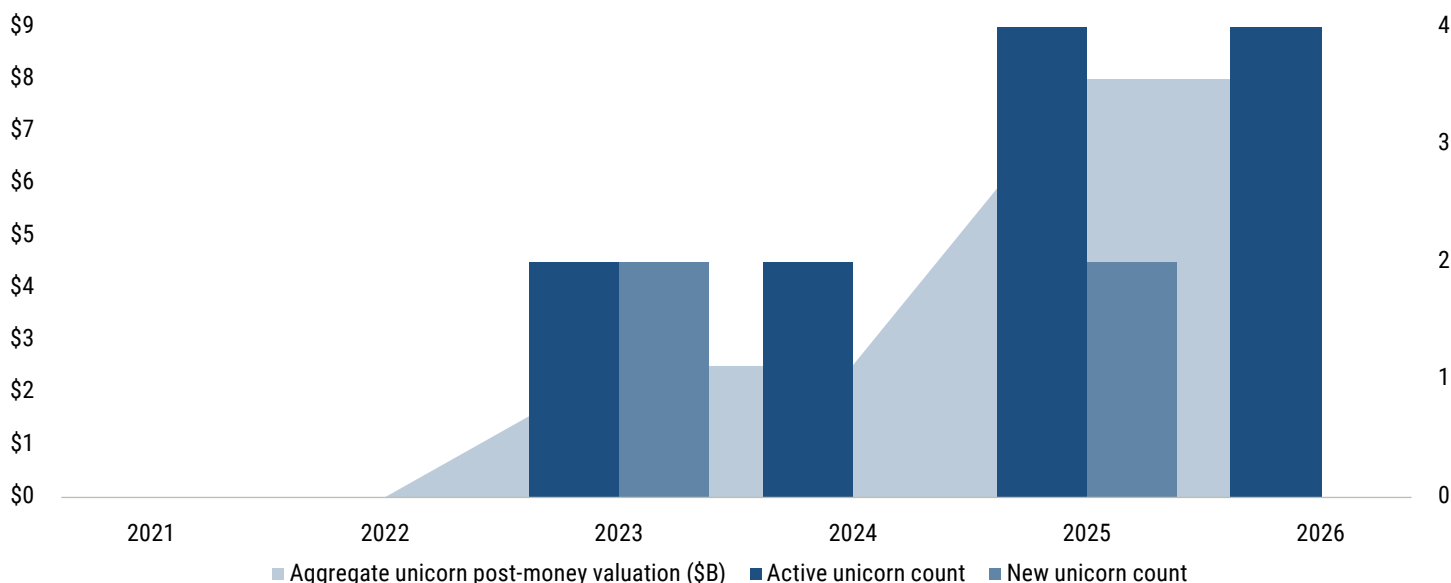
Unicorns: The pipeline that exits will draw from

Saudi Arabia now counts four active unicorns valued at a cumulative \$8 billion, based on their most recent rounds, with two new unicorns minted in 2025. Domestic unicorns are concentrated in fintech and consumer technology, including the BNPL leaders Tamara and Tabby, e-commerce platform Salla, and quick-commerce platform Ninja—the last being one of the companies that achieved unicorn status in 2025.

These unicorns illustrate different sector specialities taking shape in Saudi Arabia. BNPL leaders Tamara and Tabby built scale on the back of fast-growing digital commerce and a

young consumer base moving rapidly into digital financial services. The structural tailwinds for the industry are substantial. Electronic payments accounted for 85% of all retail transactions in Saudi Arabia in 2025, up from 79% the year prior, marking a rapid migration towards digital payments.¹⁴ GDP per capita sat at around \$34,500 in 2025.¹⁵ The kingdom was home to 58,300 millionaires and 22 billionaires as of 2023 and was expected to attract an additional 2,400 high-net-worth individuals in 2025,¹⁶ representing a deepening pool of local private wealth capital that can flow into private capital vehicles,¹⁷ often through family office structures. That wealth base sits atop a growing and notably young population, with a median age of around 29 years as of 2023.¹⁸ Against this

Unicorn aggregate VC post-money valuation and count



Source: PitchBook • Geography: Saudi Arabia • As of 30 June 2026

backdrop of rising affluence and digital payments adoption, both Tamara and Tabby have since scaled their financial services platforms. Tabby's decision to redomicile to Riyadh was widely read as a vote of confidence in the kingdom's capital market and regulatory direction. Quick-commerce platform Ninja reflects the recurring consumer-logistics theme among the kingdom's largest rounds.

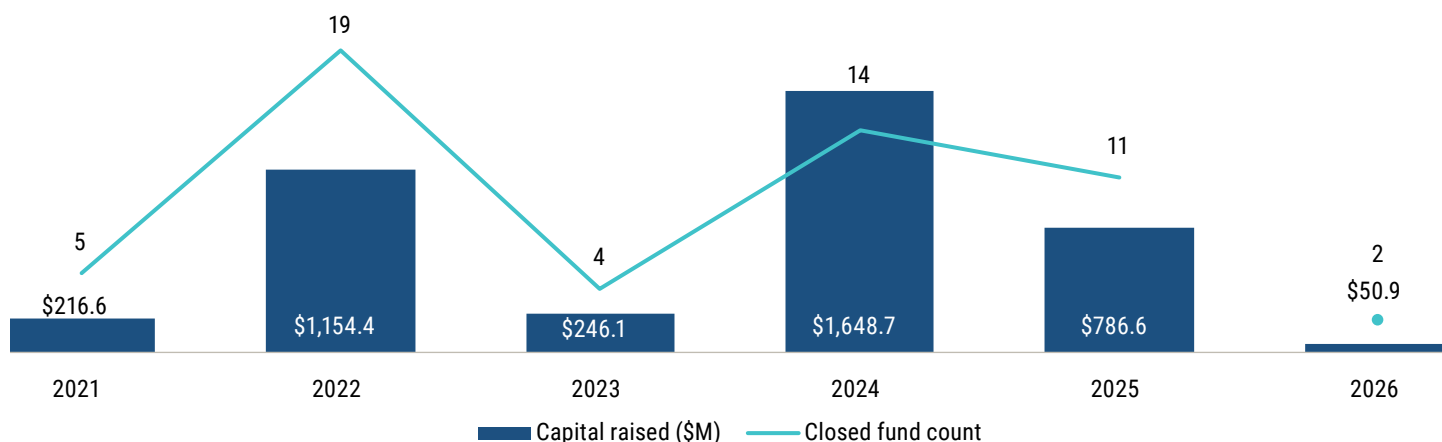
Saudi Arabia's strength in financial software—reinforced by its status as a high-income economy and the region's leading financial hub—makes fintech the most probable spearhead of the next exit wave. Unicorn-stage financing mirrors this concentration, as VC deal value tied to unicorns has been overwhelmingly led by financial services, with consumer names accounting for the more recent additions to the unicorn cohort.

Saudi unicorns form a concentrated pool of exit candidates whose maturation will likely define the next liquidity cycle. Realised liquidity from even one of these names could also seed the next generation of angel investors and startup recipients—a recycling effect that is visible in mature venture ecosystems.

These late-stage players are the most exit-eligible candidates in the market. Tabby is reported to be preparing for a Saudi Exchange listing,¹⁹ and Ninja is reportedly targeting an IPO around 2027—early but credible signals of a building pipeline that, alongside the exchange's reforms, points to a resumption of liquidity ahead.²⁰ Both companies' timelines remain sensitive to market conditions, but current data suggests that the direction of exit activity is heading up and to the right.

Fundraising

VC fundraising activity



Source: PitchBook • Geography: Saudi Arabia • As of 30 June 2026

Note: Funds raised by CVC, government, and sovereign wealth fund investor types are excluded from consideration.

Fundraising activity was largely quiet, but deployment and the market infrastructure build-out provide a brighter outlook

In H1 2026, only \$50.9 million was raised across two funds. When these figures are annualised (assuming fundraising keeps pace with the current momentum), 2026 year-end fundraising falls very short of the \$786.6 million raised across 11 funds in 2025 and a peak annual value of \$1.6 billion across 14 funds in 2024. Both 2026 closes were sub-\$50 million vehicles from emerging managers—meaning the sponsors had raised no more than three funds previously—and no experienced-manager fund has closed yet in 2026, consistent with LPs awaiting the first realised outcomes from 2021-to-2023 vintages before recommitting.

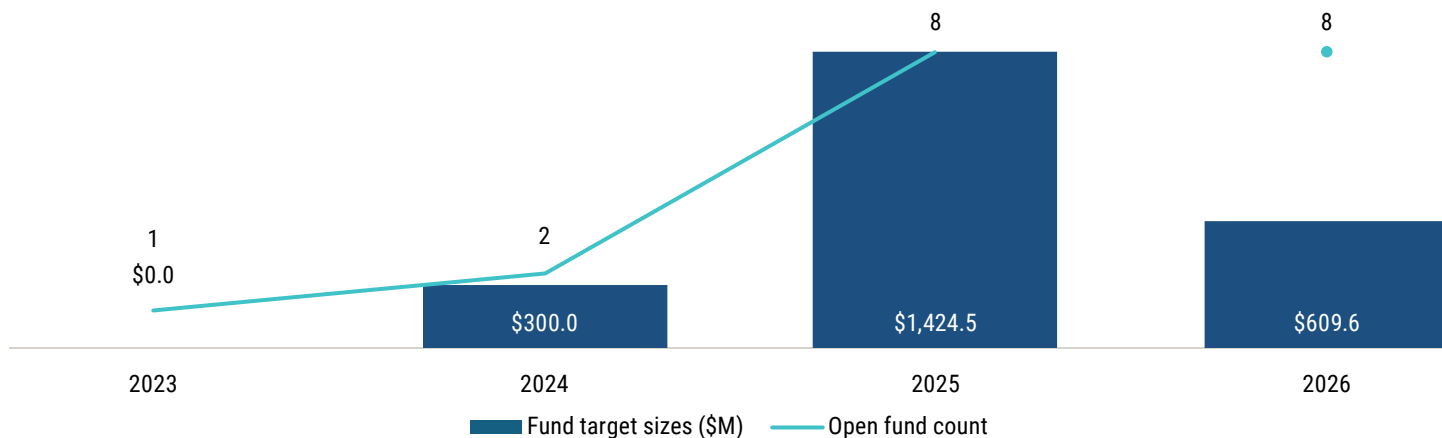
On the surface, these figures would suggest a structurally challenged ecosystem—one where fund economics is the limiting factor, as it has been for more developed private market ecosystems. However, the nascency of Saudi Arabia's private capital ecosystem imposes a unique set of challenges that have weighed on fundraising activity. Fundraising is also the most lagging area in any young ecosystem and the most sensitive to the global risk-off backdrop of 2026. Rather than focusing on aggregated figures, how Saudi investors are accruing value, deploying capital, sourcing capital from overseas, and scaling fund targets are the actual indicators to heed when assessing the quality of a rapidly developing ecosystem.

A marker of this evolution is the regulatory architecture now taking shape around the fundraising environment. In March 2026, the CMA introduced two new fund frameworks under Vision 2030 that expanded fund structuring options. The first is the Simplified Investment Fund framework, which was intended to create flexibility for institutional private fund formation, expand the scope for fund terms, and lower fund establishment costs.²¹ The second is the Financing Investment Fund framework, which consolidated direct and indirect financing strategies into a single regime and allowed for publicly listed financing fund units.²² Such reforms are adding sophistication to the local market structure, enabling a more rapid maturation of a burgeoning capital market.²³

Deployment, scaling vintages, and real returns offer positive signals

Saudi Arabia's fundraising activity cannot be taken at face value, as an emerging private capital ecosystem must be scrutinised using a variety of other benchmarks, in addition to aggregated fundraising figures, to more accurately assess its growth trajectory. While fundraising figures remained soft in H1 2026, open funds are still actively fundraising, and given the extended timelines for closing a fund, the active fundraising of funds that have yet to close is a market signal, displaying GPs' commitment to raising new vintages despite operating in a temporarily challenging market environment. There are

VC fundraising activity (open funds only)



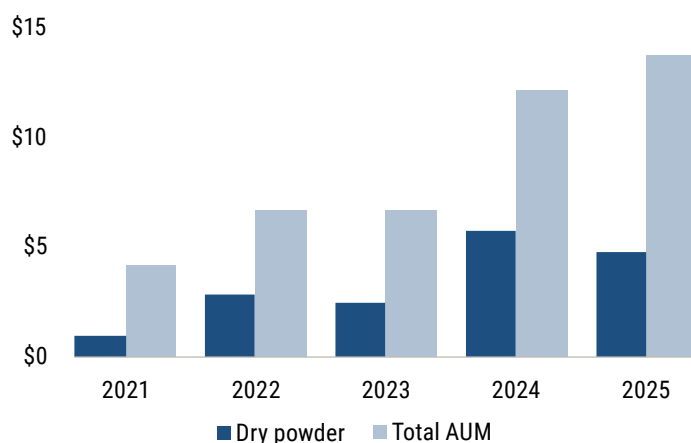
Source: PitchBook • Geography: Saudi Arabia • As of 30 June 2026

Note: Funds raised by CVC, government, and sovereign wealth fund investor types are excluded from consideration.

several constructive signals sitting beneath the soft total fundraising figure that offer a more positive outlook for Saudi fundraising momentum.

First, dry powder is actually being put to work while the rest of the world sits atop stale dry powder as a consequence of strained fund economics. Collective dry powder for Saudi VC firms eased by \$1 billion as of the end of Q3 2025—even as total VC AUM rose by more than \$1.5 billion—indicating that managers are putting committed capital to work while the value of their portfolios continues to grow.²⁴ That AUM figure caps a remarkable trajectory, having climbed from under \$1 billion in 2018 to \$13.8 billion by the end of 2025, a roughly fourteen-fold expansion that is the clearest single measure of how far the institutional base has come.

VC AUM (\$B)



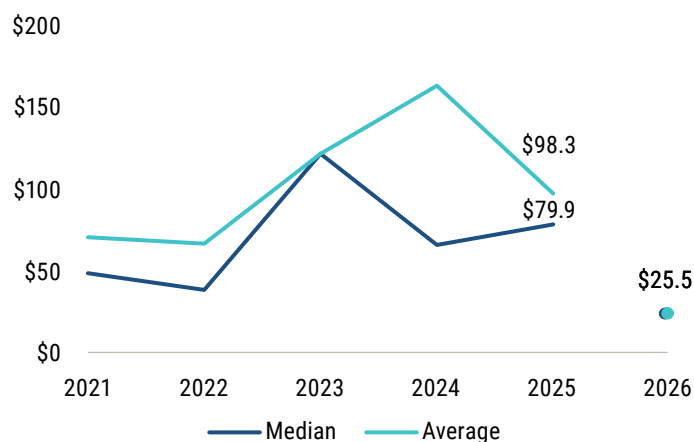
Source: PitchBook • Geography: Saudi Arabia • As of 30 September 2025

Note: This dataset is based on available data on fund deployment.

Aside from the continued robust deployment of capital and value generation unfolding in the ecosystem, the nearly \$2.5 billion in aggregate target fund sizes in Saudi open funds further supports a more optimistic outlook for Saudi fundraising heading into the latter half of 2026 and beyond. Should these funds reach their target size and close over the next six months, the 2026 full-year total (\$2.4 billion) will be 3.1x the previous year's amount of capital raised (\$786.6 million).

Second, GPs are scaling their fund sizes. Target sizes on recent open funds—such as Impact46's Fund IV at \$266.5 million—run well above the 2025 closed-fund median of \$79.9 million. Also, managers with track records are raising larger successor vehicles, a sign of growing LP appetite for the kingdom's repeat performers. Growing fund sizes also open a window of opportunity to quickly scale a green ecosystem. One of the main inhibitors to a startup

Median and average VC fund sizes (\$M)



Source: PitchBook • Geography: Saudi Arabia • As of 30 June 2026

ecosystem evolving into a world-class venture hub is accessibility to scale capital. Cross-border investors often bridge this gap, but a structurally robust and local fundraising landscape democratises access to an otherwise competitive pool of capital.

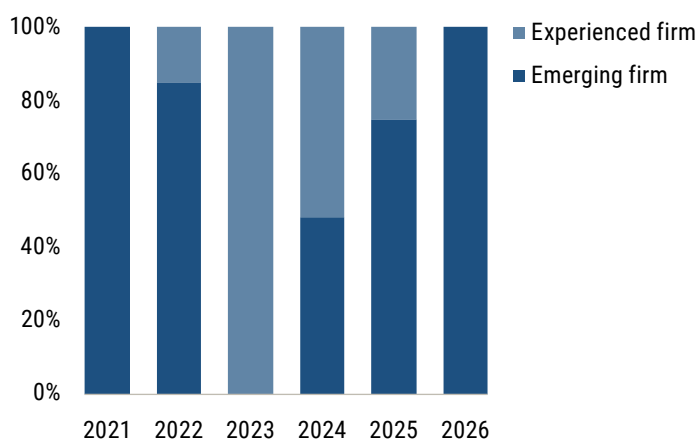
Third, the market remains emerging-manager-led, with all H1 2026 capital raised by emerging firms. This is indicative of a young ecosystem still building its bench of repeat GPs, even as experienced-manager closes worth \$855.7 million in 2024 and \$200 million in 2025 show that bench beginning to form. In addition to scaling the size of funds, an equally important part of developing a startup ecosystem is supporting the fund managers that capitalise it. An ecosystem that relies solely on fund managers with track records creates inefficiencies, such as a funding gap for startups with niche solutions that need smaller cheques or that have other features that are better aligned with smaller firms or emerging managers. It is plain to see that to nurture a startup ecosystem, there must also be a flourishing of emerging and experienced fund managers to back them.

The composition of fund managers is also broadening. In H1 2026, funds raised in Saudi Arabia came chiefly from one asset manager—Sharaka Capital—which accounted for \$30.9 million, and accelerator SparkLabs Saudi Arabia, which accounted for \$20 million. VC firms have historically raised the lion's share of capital invested in Saudi startups; during their strongest fundraising year, VC firms raised over \$1 billion in 2022. The deployment, scaling targets, and widening sponsor base describe a fundraising market that is pausing on the surface while continuing to institutionalise underneath.

Early performance data, though limited, is encouraging: Among named Saudi vehicles, NRG Ventures Fund I in Riyadh has posted an IRR of roughly 85%; Merak Technology Venture Fund I, about 33%; and the Riyadh-based Flagship Technology angel vehicle, around 19%, with a DPI of 0.54x, indicating that capital is beginning to be returned. On the PE side, earlier MEFIC Private Equity Opportunities funds have shown IRRs in the 13% to 40% range, with DPI approaching 1x on more seasoned vintages, real evidence that Saudi managers can generate and realise returns. While these fund performance highlights are hopeful signals for Saudi Arabia's private capital development path, further data transparency is still necessary to gain a more comprehensive understanding of how Saudi fund managers are actually performing as a whole.²⁵

The demand side helps explain the timing. LPs that backed the 2021-to-2023 vintages are, in many cases, awaiting the first distributions before committing to successor funds, a normal

Share of venture capital raised by manager experience



Source: PitchBook • Geography: Saudi Arabia • As of 30 June 2026

pattern that compresses fundraising in younger markets. As the maturing company cohort begins to generate exits, repeat and fresh institutional commitments will likely follow. The institutional scaffolding to absorb them is already in place, including a government-anchored fund of funds in SVC that continues to seed new managers, sovereign and strategic anchors providing cornerstone commitments, and a slowly broadening base of regional and international LPs. Crucially, the capital that has been raised is being deployed, which keeps the ecosystem's engine turning through a quiet fundraising window and sets up a cleaner runway for the next fund cycle.

PE trails VC in scale, but structural shifts are underway to enable its catch-up

A young but emerging private market ecosystem will naturally see its venture market grow faster than its PE counterparts, and Saudi Arabia is no exception. Saudi VC dealmaking and fundraising have made material strides over the past few years. Meanwhile, its PE landscape is smaller but evolving. For instance, the largest PE fund closure since 2021 occurred in May: Jadwa Investment's \$341.5 million GCC Private Equity Fund I. This fund close followed the second largest: SNB Capital's \$250 million PE buyout fund. These trends reinforce the broader theme of a private capital market that is scaling its institutional vehicles even as a single quiet half tempers the fundraising narrative.

Most Saudi PE funds are single-asset in structure, with investors backing one specific, preidentified company per deal. Single-asset PE funds are a hallmark of Saudi PE, typically financing a single capital-intensive project. However, a notable development is the emergence of blind-pool PE funds—vehicles

Top PE funds closed since 2021 by size

Fund	Fund size (\$M)	Close date	Fund type	Fund location
Jadwa GCC Private Equity Fund I	\$341.5	27 May 2026	Buyout	Riyadh
SNB Capital High Yield Income Fund I	\$250.0	31 December 2025	Buyout	Riyadh
Arak Fund	\$200.0	7 March 2024	Growth/expansion	Riyadh
Alkhabeer Industrial Private Equity Fund IV	\$163.1	6 June 2023	Buyout	Jeddah
Energy Capital Group Fund 2	\$159.5	6 January 2025	Buyout	Riyadh
Energy Capital Group Fund	\$150.0	31 December 2023	Buyout	Riyadh
Alkhabeer Saudi Private Equity Fund 1	\$149.6	28 December 2021	Buyout	Jeddah
Artal Growth Opportunities Fund	\$133.2	14 March 2025	Growth/expansion	Riyadh
Alkhabeer Car Rental Private Equity Fund	\$112.2	20 December 2022	Buyout	Jeddah
Economic Empowerment Fund for Uzbekistan	\$100.0	31 December 2021	Buyout	Jeddah
MEFIC Capital Saudi Film Fund	\$99.4	19 February 2024	Buyout	Riyadh
Artal Growth Fund I	\$92.9	1 January 2024	Growth/expansion	Riyadh
Merak Private Equity Fund II	\$82.5	1 November 2023	Buyout	Riyadh
Merak Capital Fashion Fund	\$79.9	30 September 2025	Growth/expansion	Riyadh

Source: PitchBook • Geography: Saudi Arabia • As of 30 June 2026

Select blind-pool PE funds investing in Saudi Arabia

Fund	Fund size (\$M)	Close date	Fund type	Fund location
Alpha Capital Saudi F&B Growth Fund	\$100.0	N/A	Growth/expansion	Riyadh, Saudi Arabia
Anb Capital - Lexham Partners Fund	N/A	N/A	Growth/expansion	London, UK
Artal Growth Fund I	\$92.9	1 January 2024	Growth/expansion	Riyadh, Saudi Arabia
Energy Capital Group Fund 3	N/A	N/A	Buyout	Riyadh, Saudi Arabia
Growth Catalyst Fund I	\$96.0	N/A	Growth/expansion	Riyadh, Saudi Arabia
Jadwa GCC Private Equity Fund I	\$341.5	27 May 2026	Buyout	Riyadh, Saudi Arabia
Saudi Education Fund	\$312.3	N/A	Growth/expansion	Cairo, Egypt

Source: PitchBook • Geography: Global • As of 30 June 2026

in which LPs commit capital up front to a manager's strategy, before the underlying investments are chosen. Over the past five years, blind-pool PE funds such as Jadwa GCC Private Equity Fund I, Artal Growth Fund I, and Alpha Capital Saudi F&B Growth Fund I have closed. These three funds are also backed by SVC—a sign of the role that government-anchored capital is playing in seeding these fund structures. Blind-pool fundraising is a maturation signal reflecting greater trust amongst LPs in domestic managers' track records and gives those managers

committed yet discretionary capital to assemble diversified portfolios rather than raising one deal at a time. In fact, the largest fund closed in H1 2026—Jadwa GCC Private Equity Fund I—is a blind-pool PE fund. The shift towards blind-pool vehicles in Saudi Arabia is the most recent and positive transformation in the asset class that will not only expand the supply of private market capital but also lay the very foundation of a world-class private market ecosystem—one that has the capital to seed startups and scale them to global champions.

Outlook

In Saudi Arabia, the first half of 2026 was shaped by external volatility and the natural rhythm of an ecosystem largely built in 2018. The structural case for the Saudi ecosystem is intact and, by PitchBook's own growth ranking, among the strongest globally. The remainder of the year will test how quickly the kingdom transforms that structural strength into headline-making momentum.

A recovery in dealmaking in H2 2026 may be achievable if Saudi Arabia's deep early-stage pipeline continues to expand with the backing of domestic capital that has long anchored the ecosystem alongside the growing presence of cross-border investors. A key indicator that ecosystem participants should pay heed to is the frequency of megadeals. Megadeals often occur at the late stages, and an uptick in large, later-stage deals is a sign of the market's willingness to fund scale. Megadeals at the earlier stages are an even stronger indicator of health and recovery due to their rarity. D360's announced \$390.8 million megadeal, which is expected to close before the end of 2026, will add one tally to the kingdom's count of megadeals and enforce a more positive outlook for the Saudi dealmaking landscape. As regional conditions stabilise, the swing factor is global risk appetite, particularly North American and Asian cross-border flows, which have not been as active in Saudi Arabia as they have been elsewhere in the Middle East. These developments would also position later-stage financing events favourably, creating a risk-on environment conducive to the next wave of megadeals.

In the current exit landscape, Saudi Arabia's initial cohort of venture-backed startups is approaching the later years of the fund lifecycle, making liquidity the key watch item, especially for the most scaled and exit-ready players: A Saudi Exchange technology listing, with Tabby the most cited candidate, or a strategic acquisition by an institutional investor would be a milestone signal of maturity, and the exchange's 2026 opening to nondomestic investors strengthens that path. The path to liquidity has the potential to expand further, but a relative dearth of venture-growth financing events over the prior few years signals that most venture-backed startups in the ecosystem, particularly those pursuing a public listing, still have a way to go. For now, Saudi startups will rely on strategic acquisitions and buyouts as their primary exit pathways.

Shifts in fundraising dynamics in H2 2026 hinge on whether experienced managers can close successor funds, as even a single large close could meaningfully reshape the full-year picture. 2022 and 2024 exhibited the strongest fundraising momentum in recent history in terms of fund closures and total capital raised, but this momentum had yet to return to the scene in H1 2026. It is no coincidence that dealmaking activity surged following each year of hot fundraising activity. Fundraising momentum and dealmaking sentiment are but two sides of the same coin; however, regional instabilities can sway sentiment in the other direction, disrupting both fundraising and dealmaking flows. Should the macroeconomic environment turn for the better in H2 2026 and the nearly \$2.5 billion in aggregate fund target sizes across 19 open VC funds be realised, then this will rewrite Saudi Arabia's fundraising story and correct its fundraising path towards a more positive trajectory.

Looking past 2026, the next growth cycle will likely be shaped by a new set of themes, including AI infrastructure and sovereign AI capacity, exemplified by HUMAIN, alongside enterprise deep tech. At the same time, value is emerging across specialised finance, internet retail, and entertainment software—the three fastest-growing areas of Saudi VC dealmaking in H1 2026. These are more likely to broaden the market than displace what came before, meaning the consumer-and-fintech wave that defined 2021 to 2023 will still manifest in exit activity.

Saudi Arabia has assembled the core building blocks of a maturing ecosystem, including a domestic capital base approaching critical mass, more durable nondomestic investor participation in deals, and a maturing unicorn pipeline. The moderation seen in H1 2026 appears to be a function of the market's development stage and external conditions rather than a break from the overall trajectory. H1 2026 was far from an ideal operating environment for investors and companies alike, with risks abounding, including regional instabilities and the broader liquidity environment for global private capital. However, the fundamentals indicate that as conditions stabilise, the Saudi ecosystem's dealmaking, exits, and fundraising activity may get it one step closer to realising its full potential.

Methodology

Standard [PitchBook report methodologies](#) will apply unless otherwise noted. Outside data that is considered applicable and relevant will be cited.

Only completed VC transactions are included. PE deals include announced, in-progress, and completed transactions. Deals are attributed to the calendar year in which they closed. For cross-border investment analysis, deal count and deal value are attributed to each investor's home region independently: For example, a deal involving one US-based investor and one UAE-based investor is counted towards both the North American and Middle Eastern totals. Cross-border counts are therefore not mutually exclusive and should not be summed to a total.

Megadeals are defined as transactions exceeding \$100 million in disclosed deal size.

Iran and Turkey are excluded from all comparative analyses of the MENA region. Median deal size, pre-money valuation, and fund size figures are calculated on disclosed-value subsets and may underrepresent activity where deal sizes or valuations are undisclosed.

Fundraising data covers closed VC and PE funds domiciled in Saudi Arabia. Infrastructure, real estate, and debt funds are excluded. Funds raised by CVC, government, and sovereign wealth fund investor types are excluded. This decision was made to create a more representative data-driven narrative of fundraising activity in Saudi Arabia, using funds that follow more traditional LP-GP structures that typically underlie insights into an ecosystem's fundraising activity.

Total VC AUM is equal to dry powder (undeployed capital in closed funds) plus net asset value (unrealised portfolio value).

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- 24: Given the opacity of private funds data, this data-backed insight represents VC funds that have disclosed this information to the public or privately to PitchBook. If data transparency improves over time, we will have greater clarity on how Saudi AUM compares with more developed startup ecosystems.
- 25: In Saudi Arabia's burgeoning but still relatively small ecosystem, fund performance metrics are hard to come by unless they are privately disclosed. Since 2018, SVC has strategically injected state capital into the local ecosystem to foster homegrown innovation. However, as the ecosystem grows, the quality, scale, and focus of capital support will hinge on the availability of data used to inform such decisions. SVC encourages local fund managers to publicly disclose fund information, enabling SVC to make data-driven decisions on how to best support and foster the Saudi private capital ecosystem.

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