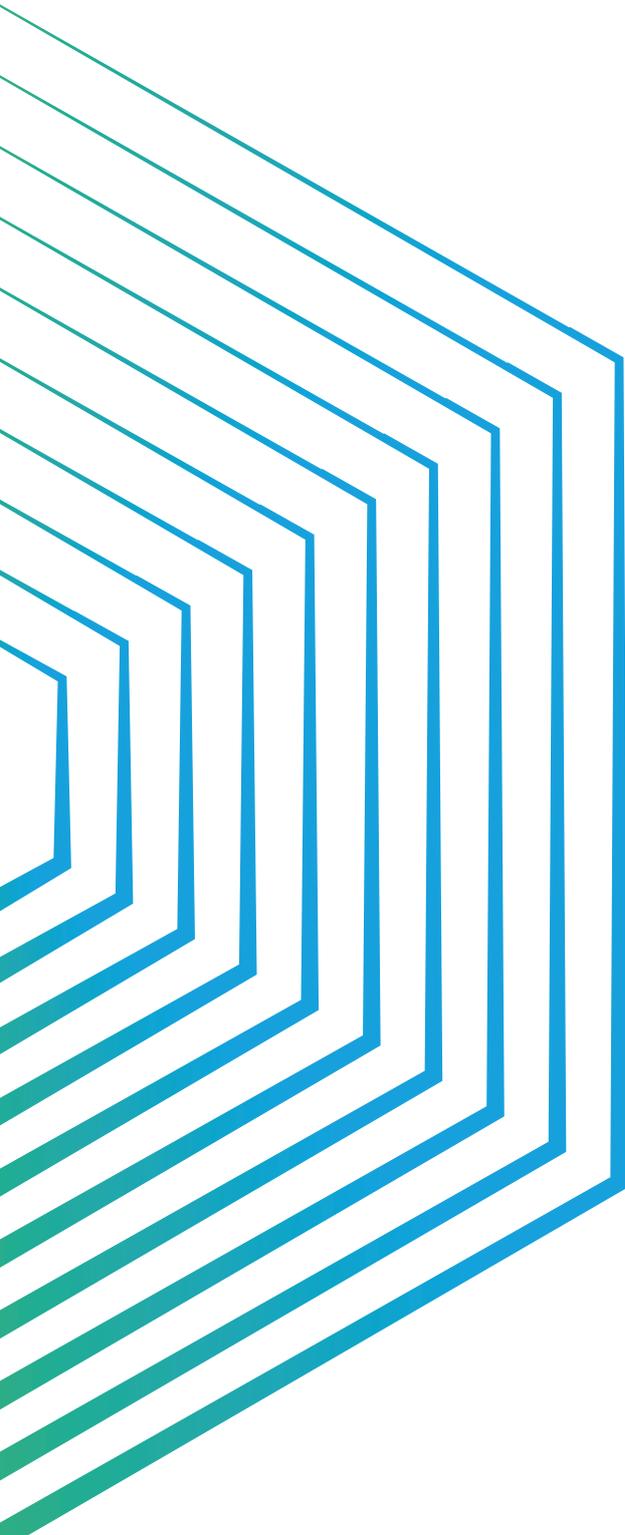


# The Wa'ed Newsletter Q4 2021



# Introduction



## Introduction

As we round off another successful and exciting year at the Saudi Aramco Entrepreneurship Centre (Wa'ed), we are pleased to share our 2021 highlights and showcase some of Wa'ed's exciting startups who are making tracks in promoting entrepreneurial innovation and economic diversification in the Kingdom.

Great strides have been made on all fronts of the business. Since 2011 we have funded a total of 114 companies to the value of SAR 412.12 million through our financial support programs. During the last 12 months we approved eight initial VC deals, and four follow-on deals. We have also welcomed 17 startups to our incubation program in 2021.

Business success most often comes when a founder sets out to solve local challenges and improve the livelihood of others in the process. Our portfolio companies are no exception.

In this newsletter we speak to some of those purpose and passion-driven businesses that go right to the heart of our society's needs. From helping children

with additional educational needs grow and succeed through meaningful tailored education, to making primary healthcare accessible for all far and wide, these companies coupled their innovative tech solutions with a mission to solve real-world challenges.

Throughout the year, Wa'ed has not only been the backbone that supported the innovation of its startup community but has also worked to innovate around the best ways to approach, explore, and encourage Saudi-based leaders in the making. Our six-city entrepreneurship roadshow aptly demonstrates this commitment, opening the doors for a more collaborative relationship with the local entrepreneurship community across the nation.

# Venture Capital

## 2021 Highlights

8 initial VC deals  
for SAR 28.3M in  
2021

4 follow-on deals  
for SAR 5.7M in  
2021

12 total VC deals  
for SAR 34M in  
2021

## Reversing Trends – Exporting Saudi Tech to Silicon Valley



The founding team of Hazen.ai

The next 12 months will signal a turning point for Saudi-based road safety startup Hazen.ai as it gears up to deploy its traffic video-analysis software worldwide during the first quarter of this year.

“We have been in the lab for a while, building the technology,” said Sohaib Khan, the startup’s co-founder and Chief Executive. “We have commitments now from several customers for roll outs as early as January and February in several countries and that’s a very exciting phase for us.”

Khan, who holds a PHD in Computer Sciences from the University in Central Florida and has since held academic positions at the Lahore University of Management Sciences, and the Umm Al-Qura University in Makkah, founded Hazen.ai with three of his peers to address the opportunities in road traffic safety presented by a new generation of deep learning algorithms.

“We started seeing a real push to put these algorithms into products,” Khan noted. “So being in Makkah we looked at crowd analytics in detail, and we experimented with some of these algorithms.”

Soon after, the founding team began to explore the functions within traffic control, noting the sheer number of road casualties and the old technology platforms which were still being utilized as a key driver in their motivation to develop what is now Hazen.ai.

“Technology was based on very old sensing devices like radar and lidars, and we knew that these new video algorithms could make so much of a difference. When we founded the company, we saw that no one was doing that yet and we felt that that was the gap and the opportunity that we could fill,” Khan added.



Wa'ed first invested in Hazen.ai in 2019

Hazen.ai's software, which is compatible with "off the shelf" and existing CCTV infrastructures, goes beyond conventional traffic monitoring speed cameras to identify dangerous driving behavior such as sudden lane changes, driving without a seatbelt, or driving while distracted on a mobile phone. He added that by encouraging clear driving behaviors, a significant impact can be made to encourage safer driving habits and minimize casualties.

A key project, which Khan said was an important milestone, was completed earlier this year in San Francisco, and continues to exceed all performance matrixes.

"While generally the flow of technology is from Silicon Valley towards Saudi Arabia, being able to reverse that and export some of the technology built in Saudi Arabia to the heart of Silicon Valley, is something that we are very proud of."

At the same time, Khan is even more excited about the recent partnerships and deals that the startup has signed with

various key entities across the kingdom. "During December I have closed four deals with different companies. It has been exciting for me to understand the problems they have," he added. "Each one of them becomes a reference for us to win more projects and improve our product and showcase it to our customers."

Khan credited Wa'ed's support for the company's current trajectory: "In the beginning people doubted us, but Wa'ed was the earliest supporter and continues to support us."

Wa'ed first invested in Hazen.ai in 2019 and provided a follow-on investment in February 2021.

Despite the achievements the company has celebrated, Khan added that there was still a misconception issue that they faced for Saudi Arabia not being known as a technology exporter, but it was an exciting challenge that continued to fuel him and the company.

"Globally people know Saudi for oil and gas, and it's very exciting for us to be building technology which we are confident is ahead of the curve and large companies are recognizing that," he added.

Through working with partners on the ground, Khan noted they have established on-site proof of concepts which are providing evidence to various authorities of the software's effectiveness. The company is currently rolling out installations in the UK, Finland, New Zealand and the UAE, with multiple projects in the pipeline across the region including in Saudi Arabia and Egypt.

"The dynamics in the region are looking very good for us," Khan said. "This region is rolling out some of the latest tech in traffic technology and regional and global governments are showing a huge commitment to that."

## Data-Driven Reasoning at Heart of a Balanced Quality of Life



Ibrahim Al-Baloud, President and CEO,  
Fathom Inc.

For Dhahran-based Ibrahim Al-Baloud, a mission to enhance livelihood and an interest in problem solving has stemmed a life-long dream to enable better decision making through digitalized data.

“I’m always very curious about what technology can bring to us. I believe that technology can do a lot for humanity,” Al-Baloud explained. “We see the opportunity to enable data to make better decisions so people can have a better way to do business and a better quality of life, by eliminating a lot of unnecessary activities.”

With a career in solution selling and operational excellence that spans almost two decades, applying technology applications to solve problems across various business verticals has been a core focus for Al-Baloud, fueling his inspiration to create the AI-based startup Fathom Inc.

Established in 2019 with the aim to transform big data into artificial intelligence (AI) for machine learning (ML) model training and application development deployment, Fathom was primarily focused on the oil and gas sector and has since expanded into other industries. A physical presence has already been established across Europe and the US with offices in Dhahran, Oslo, Kyiv, Warsaw, and Texas, managed by a team of 50.

Still in the pilot stage of the project, Al-Baloud is all too aware of Fathom’s potential and has completed a number of proof-of-concept projects which are supporting the team to build trust in the respective markets.

“We see a lot of opportunity for machine learning operations right now, companies are doing a lot of piloting for machine learning applications in Saudi Arabia, for example. And we see a lot of potential where we’re working to enable them to manage this type of machine learning application within their enterprises,” he said, adding that there is also a lot of interest from oil fields in the North Sea and Texas around pipeline and flow line integrity.

However, Al-Baloud noted that working in the oil and gas industry did create challenges for Fathom as often decisions take time and can be a lengthy process in securing agreements but is optimistic about deployment within the next two years.

“We are planning by next year we will fully launch Fathom as a SaaS,” he noted. “At the same time, we can scale without a lot of human resource intervention.”

The investment from Wa’ed has been a strategic step for the startup, enabling them to establish better maturity in the regional startup ecosystem as they aim to compete at a global level.

## Education for All:

### Bridging the gap for children with additional educational needs



Abdullah Murad, Co-Founder, Ynmo

Following a chance meeting during their PhD studies in the USA in 2006, three passionate Saudi entrepreneurs have collaborated to establish Ynmo, an edtech startup which builds on their expertise and passion to improve available software tools for people with additional educational needs.

Prior to the launch of Ynmo, brothers Faisal and Fahad Alnemary have focused their careers to specialize in education for children with disabilities, while Abdullah Murad, who has a PhD in mobile health technology, created an IT company in Saudi Arabia which has facilitated projects for the Ministry of Health. Through a series of discussions on the need to develop a technological solution to improve the educational system, the trio began to

develop a proof of concept which utilized the Alnemary's subject matter expertise and Murad's technological know-how.

"We wanted to work on projects that have a great impact on society," Murad said. "Children with disabilities need individual tailored curricula complete with long-term and short-term goals that you work on daily with the child."

The Arabic-language software, which was launched in late 2017, assists educators, therapists, and parents of children with disabilities in developing personalized educational programs for the school and home setting.

Ynmo's software is sold on a subscription basis to schools and institutions and the company is going from strength to strength making a real difference to the lives of many children in the region. They have also recently joined forces with regional and international publishers to expand its online curricula and assessment tools.

A \$500,000 seed investment from Wa'ed at the end of 2020 had a major bearing on the development and growth of Ynmo, Murad noted. The company doubled headcount from 15, reported a triple revenue growth, and has expanded geographically with clients across Saudi Arabia, the UAE, Kuwait and Oman.

Looking ahead the startup expects to be present in Qatar and Egypt soon.

Working with the Ministry of Community Development in UAE, the team has developed a white label version of Ynmo which is currently being scaled up for wider use and is also working with the UAE's Ministry of Education to implement the software to supports its inclusive schooling program for 16,000 students with disabilities.

Knowing that their knowledge and experience in this sector "is having a meaningful and immediate impact on society" is spurring Murad and his co-founders on to do more to help those in need.

He added that though official numbers indicate that the number of those identified as having disabilities in Saudi Arabia stands well below the world average of around 15 percent, he believes there are no appropriate tools in place to accurately measure and address the true results: "We think that we are below the global average rate because of the lack of screening tools. We are trying to bridge that gap and provide early screening and access to intervention in the critical first three years of a child's life."

The team has worked with health authorities to develop tools that can be utilized in early identification for parents and education bodies. As part of this, they launched an application specifically designed for parents to screen their

children up to three-years-old for language and speech problems. Over 1,000 families have since downloaded the application.

"If a child is found to be at risk we then refer them to the appropriate service providers for further evaluation," added Murad.

The development of a customizable, low-touch, product where service providers can select plans, do training and start using it without human interference, and future plans to integrate AI, "will help us scale our product beyond our region", Murad said.

Helping society through Ynmo has been an extremely rewarding and fulfilling experience for the startup. "I have never had more of an amazing feeling than helping other people, especially the most vulnerable group of children and their families."



Dr. Abdullah Murad and Dr. Fahad Alnemary,  
Co-Founders, Ynmo

# Loans

## 2021 Highlights

10 new loan deals  
for SAR 17.5M in  
2021

SAR 26.3M  
collected for loan  
repayments  
in 2021

Active portfolio  
projects: 67 YTD

## Addressing Saudi Arabia's Rubber Import Challenge



Dr Hassan Seraj Alsharqawi

A last minute decision to divert from medical college and pursue mechanical engineering, set Dr. Hassan Seraj Alsharqawi on the path to entrepreneurship, leading the establishment of the first rubber production facility on Saudi Arabia's west coast.

During the first half of 2018, Alsharqawi and his partners Eng. Abdullah Ibrahim Alshareef and Eng. Khalid Abdulrhman Alothman began laying out plans to realize a SABIC and ExxonMobil-backed initiative. The project was intended to support the downstream sector and a local industrial supply chain, and establish a factory to manufacture rubber gaskets, seals, and O-rings in Yanbu.

For the trio, the business case was solid. It would enable the startup to address local demand for rubber within the automotive, military, and home appliance sectors, as

well as those involved in pipe systems and petrochemical maintenance, of which only 10-20 percent is supported by local production, according to Alsharqawi's estimates.

He added that the local government's support to stimulate local industry has been a key factor in their drive to establish the business, and significant movement has already been made to create industrial centers.

"This industry is very important if you look to the national strategy in Saudi Arabia," said Alsharqawi, who reiterated his extensive experience working within the sector in application and training. "We have worked deeply in this project for a number of years. So that's really encouraged us to go through it."

However, the spread of the pandemic caused delays, and it wasn't until 2020 that the startup was ready to begin applying for funding, which in itself presented a challenge, until they approached Wa'ed for support.

"In July 2021, we applied for Wa'ed and I was shocked that I got the approval after almost two months," Alsharqawi reflected. Following a detailed due diligence Wa'ed found the project to be viable and with extensive support from the Royal Commission of Jubail and Yanbu, Rawabet was able to get off the ground.

A key milestone in the project was celebrated in December, when the Royal Commission for Jubail and Yanbu granted approval for two shell and core units in Yanbu, from which Rawabet will establish its operations and manufacturing facilities.

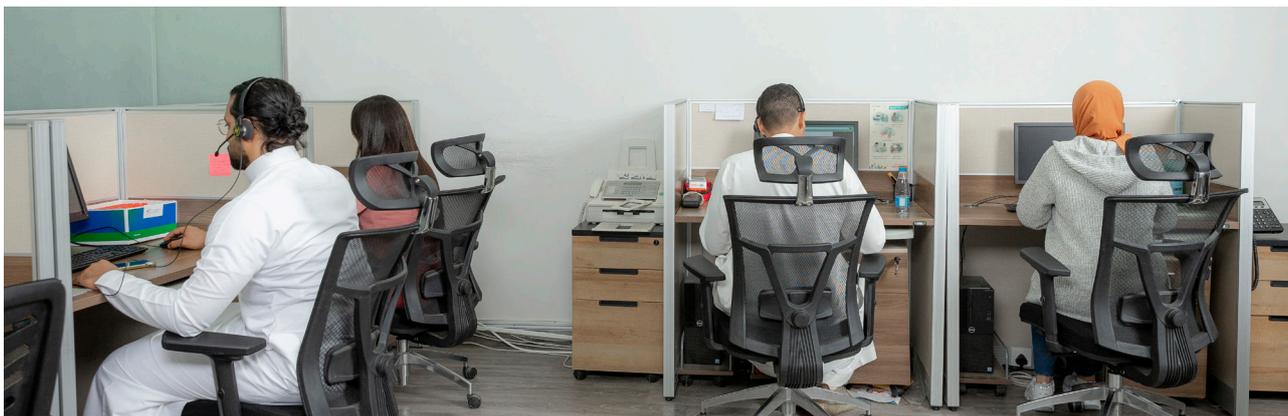
The fit out of the shell and core units is expected to take up to six months, with operations anticipated to start by the end of 2022. During the first four years, the target capacity is estimated to be around 450 tons, with a contingency built in to scale up production should it be required.

Ahead of its opening, Rawabet has also signed a memorandum of understanding with Mitchell Rubber, which will begin the manufacturing of rubber compounding

in Yanbu Industrial City within the same development, supplying the startup with the rubber compound and technical services.

However, the Yanbu factory is just the beginning of Alsharqawi's plans: "We consider this rubber project as the start, as the first project. Once we finish and we are approaching the operations stage, we will start working on another project."

## Tackling Frontline Medical Care is Worth the Struggle



TAP's call center in Riyadh

As a medical doctor, bioethicist, RCM expert, and medical entrepreneur, Theeb Alkahtani has looked to innovate the country's healthcare system, one business at a time. For more than a decade, he has built on his experience in the sector and established a supply and medical services distribution, logistics and management framework which focuses on holistic and integrated service provisioning.

Alkahtani, who holds a Bachelor of Medicine and Bachelor of Surgery from King Saud University, a research fellowship in clinical and biomedical research from the University of Oxford, and a Master's Degree in Bioethics and Medical Ethics from Harvard University, has now launched Integrative Medicine LLC, a multi-layered approach to primary healthcare under brand name TAP.

"The primary care sector in general, focuses more on urgent care," Alkahtani noted. "There is a huge gap specially in chronic care management and primary care sector. It is still a challenge for the hospitals to provide sufficient primary care service."

To spearhead the startup, Alkahtani partnered with Health Information Systems (HIS) specialist Huda Alshehri who assumed the role of CEO early in 2019. Holding a first-class honor's from the University of Melbourne, with her Master's Thesis focusing on patient-centered Aged Care Information Systems, Alshehri shared the ambition to build a healthcare sector which reached all corners of the community.

"We have really good hospital systems, but we don't have the things in place that could take the lead before or after



Theeb Alkahtani, Founder

sending patients to hospitals. The health care model pyramid is flipped in Saudi Arabia," she noted. "We looked at it from a multi-layered service approach to make use of the technology and other health care models that are existing."

TAP provides a combined telemedicine and home healthcare solution which aims to effectively manage people's health, while minimizing the cost implications of a purely brick and mortar model.

"I started the company with the belief on value-based medicine in the future and how we envision our services in the upcoming years," Alkahtani explained. "We are trying simply to provide a patient-centered health care, especially in the primary care sector."

Through what the duo say is a community medical center approach, Alkahtani and Alshehri aim to reach wider residential areas which may not have direct access to hospitals.

"We know it's a kind of combination of digital health, home healthcare and then we're going to spread with small community care centers," Alshehri said. "Patients will have continuous monitoring of their case with someone who is able to look at their healthcare needs without them having to leave the home through telemedicine, and if there is a need, we will go."

The third layer of their business model is the establishment of community medical centers which serve as a hotspot for their operations and provide a physical base for their home care teams. To date, one such center has opened with plans to open between 10 and 20 in Riyadh by the end of 2022.

"I know the struggle of the people who are living on the outreach areas, and I believe this way I can bring them a good health care model without having to travel long way," Alshehri explained. "Now with the small things we have done, we are already seeing the impact and this makes a lot of difference for us and this is what keeps us, or at least me going."

While the startup has experienced success to date, Alshehri mentioned that it has been a struggle, especially with changing the general mindset of patients that they need to be seen by a specialist, which can be costly. TAP's approach of having the front line managed by family medicine and general practitioners who can then refer if required, minimizing costs.



Huda Alshehri, CEO

The pandemic allowed them to showcase the benefits of telemedicine, as people turned to their services when they were restricting travel and have now seen the convenience.

She added that the support Wa'ed came at the right time their development and expansion plans: "Wa'ed is an immense help with the support and the guidance. The money is going to help us to allocate it very well, especially to establishing the teams across the cities and finishing the digital platform. They are the right partner to come in," Alshehri added.

Looking to the future, though Riyadh is a current focus, the team plan to expand its services across the Kingdom and further collaborate across existing network of pharmacies, laboratories, and hospitals.

# Incubation

## 2021 Highlights

9 startups  
incubated in Q4

17 startups  
incubated during  
2021

Total investments  
by active incubated  
companies  
SAR +18M YTD

## Tutoring the Gulf one Session at a Time



Salem Bin Ghanem, Co-Founder, Faheem

Facing difficulties finding a tutor as university students in Dhahran soon turned in to a problem-solving exercise, and ultimately a promising startup model, for Ibrahim Baatiah and Salem Bin Ghanem, who established Faheem while still studying in late 2017.

As students, both founders struggled to find a suitably qualified tutor at the right price point. The duo soon realized the potential of turning their search mission to an opportunity to help other students facing the same challenge.

Baatiah and Ghanem started to interview tutors and match them with students for in-person study sessions. However, demand soon picked up and sourcing tutors in the volumes and subjects required was proving next to impossible. So, they conceptualized a website to connect tutors and students.

The company soon expanded throughout the Eastern Province and to Riyadh, and today has more than 150,000 college and

high school students across the Kingdom using the platform that has 10,000 registered and vetted tutors. Following the pandemic, the business has converted to 100 percent online one-to-one tutoring, and increased its available extracurricular subjects to include computer programming and software development, Baatiah said.

The pair enrolled in the Wa'ed incubation program in early 2018 and utilized its supporting services such as mentorship and office access, alongside a SAR 100,000 grant to develop their app and do testing, which Baatiah said "was a great start for us as fresh graduates".

Faheem is now expanding into other Gulf countries helping students with their tutoring needs, with a plan to double the number of students on the platform within one year and increase session volumes. Baatiah added that as well as providing support for students, the product is evolving into a one-stop solution for many parents who cannot tutor their children because of time or a lack of experience. Parents can get a report on their child's progress at the end of each week of month, and students can revisit their recorded tutoring sessions at any time.

The positive feedback from students and parents is one of the biggest motivators for Baatiah and Ghanem, who are successfully fulfilling their goal of ensuring other students will not face the same issues they did.

## Changing the Mindset around Personal Finance in Saudi Arabia

Advanced analytics and machine learning is powering Saudi fintech startup Malaa, which strives to change and influence attitudes towards the saving and spending habits of Saudis for a better economic future.

The brainchild of Faisal Alqarni and Ali Alorainy, Malaa's mobile application is being developed to help users track expenses by connecting their bank accounts through open banking standards. Data and transactions are to provide insights and recommendations on spending behavior.

Saudi Arabia is entering into an exciting new phase of digital economy development through the Open Banking initiative, which the Saudi Central Bank (SAMA) has slated to go live with during the first half of 2022. New fintech companies like Malaa will participate as market innovators to support private sector growth in line with the strategic priorities set under the Financial Sector Development Program (FSDP).

Alqarni and Alorainy, who first met in college and pursued different career paths in consulting and computer sciences respectively, came together to identify business opportunities within the 13 executive programs of Vision 2030, stimulating the formation of Malaa to address financial illiteracy.



Faisal Alqarni, Co-Founder, Malaa

Alqarni noted that a key focus for them was to tackle the low household savings in the Kingdom, which is currently around 2.4 percent, a far cry from the global average at 10 percent. He added that during their research, financial education was not resonating with the public, and would need a proactive approach and focus on technology driven financial coaching to penetrate mass audiences. The duo set out to utilize their expertise in and passion for data science.



Ali Aloraini, Co-Founder, Malaa

He added that the provision of insights and ‘nudges’ were having a direct influence on users to make improved financial decisions and become better savers without impacting their lifestyle. “A lot of people are concerned that saving means having to forgo some luxuries and it will mean a lifestyle change. This is not necessarily the case”, Alqarni said. There will be a “lot of inefficiencies” people will be unaware of because they lack exposure and insight over their financials, such as many of the small daily transactions being made, he added.

Malaa enrolled in Wa’ed’s incubation program in October 2020, a step that had a “tremendous effect” on the startup’s growth and development. It has enjoyed invaluable mentorship and support and has availed of numerous services and guidance on how to navigate the industry, Alqarni said, adding that they have also participated in the Saudi Fintech Accelerator and have been in active communication with regulators to secure the green light.

Alqarni and Aloraini are passionate about helping people unlock their financial potential and believe strongly in much better economic growth outcomes when people save and invest. “Investing starts with savings and we have not found a solution in the MENA region that bridges these two worlds efficiently,” Alqarni pointed out.

Helping change mindsets and encouraging the Saudi population to start saving, investing, and unlock their financial potential is Malaa’s ethos, Alqarni said. He added that through potential growth they aspire to be able to utilize collected household savings data to help policy makers shape better policies.

Behavioral scoring is another area the company will utilize its expertise in building behavioral risk models to hopefully “reshape the lending scene”. This will enhance financial inclusion by giving banks’ a new tool for risk assessment to inform lending decisions and “start lending to people who are underrepresented, such as gig economy workers, freelancers and people working in startups,” according to Alqarni.

Malaa also plans to target working with government entities such as the Social Development Bank, the Ministry of Finance, the Ministry of Economy and Planning, and the Central Bank, who between them are owners of some of the 290+ initiatives in the Financial Sector Development Program, Alqarni said.

# Wa'ed 2021 Entrepreneurship Roadshow

## Highlights

**SAR 43.6 million  
dedicated during  
roadshows**

**28 Qualified Saudi  
entrepreneurs**

**Six cities hosted  
the roadshow**

## Wa'ed 2021 Entrepreneurship Roadshow dedicates SAR 43.6 million



Jubail saw Wa'ed recommend up to 10.2 million SAR in loans and seed grants to six entrepreneurs



Wa'ed recommended up to 8.9 million SAR in new loans and seed grants to five entrepreneurs in Yanbu



SAR 8.1 million was dedicated in seed grants, loans, and VC funds to six Saudi entrepreneurs in Madinah

The inaugural Wa'ed 2021 Entrepreneurship Roadshow concluded in Makkah in December, celebrating the provision of more than SAR 43.6 million in dedicated financial aid to 28 Saudi entrepreneurs across its six hosted destinations.

The four-month roadshow, which sought to attract a new generation of Saudi entrepreneurs from across the Kingdom, was designed to identify and support game-changing ideas that had the potential to open economic horizons, support digitalization and entrepreneurial innovation, and create new jobs for Saudis.

Beginning in Jubail in September, the roadshow then travelled on to Yanbu, Jeddah, Riyadh, and Madinah, before concluding in Makkah in December. Combining elements of startup pitch competitions, the events attracted the highest caliber of attendees who took the opportunity to share the newest technological solutions in sectors as diverse as healthcare, manufacturing, sustainability, and deep technology.

Throughout the roadshow, Wa'ed selected entrepreneurs who qualified for individual venture capital investments of up to SAR 19 million each and non-collateral business loans of up to SAR 5 million, as well as Wa'ed's incubation and mentoring services.



SAR 6.9 million in seed grants and a new VC fund were recommended for three Saudi entrepreneurs in Riyadh

The individual roadshow events were supported by Wa'ed partners including The Royal Commission for Jubail and Yanbu, King Abdullah University of Science and Technology (KAUST), the General authority for Small and Medium Enterprises (Monshaat), Namaa AlMunawara, and Wadi Makkah Ventures.



Wa'ed recommended up to SAR 21million in new seed grants and VC funds to four entrepreneurs in Jeddah



Wa'ed concluded the six-city roadshow in Makkah

## In our next issue

We'll celebrate a successful start to 2022, profile more Wa'ed portfolio companies, achievements, and provide an update on our latest venture capital, loan, and incubation announcements.



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