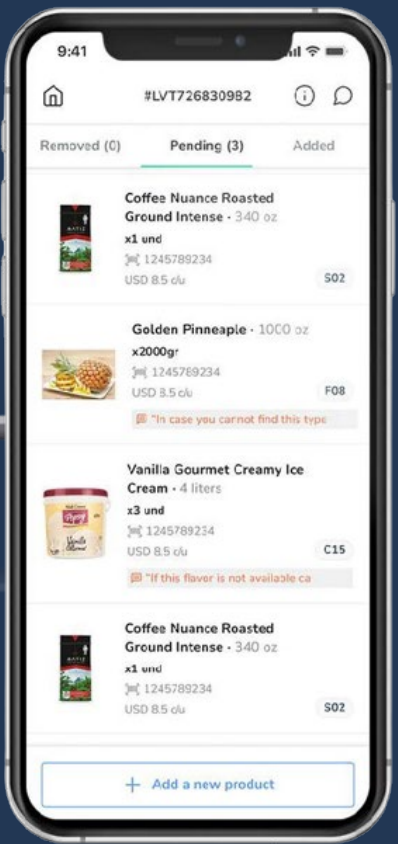




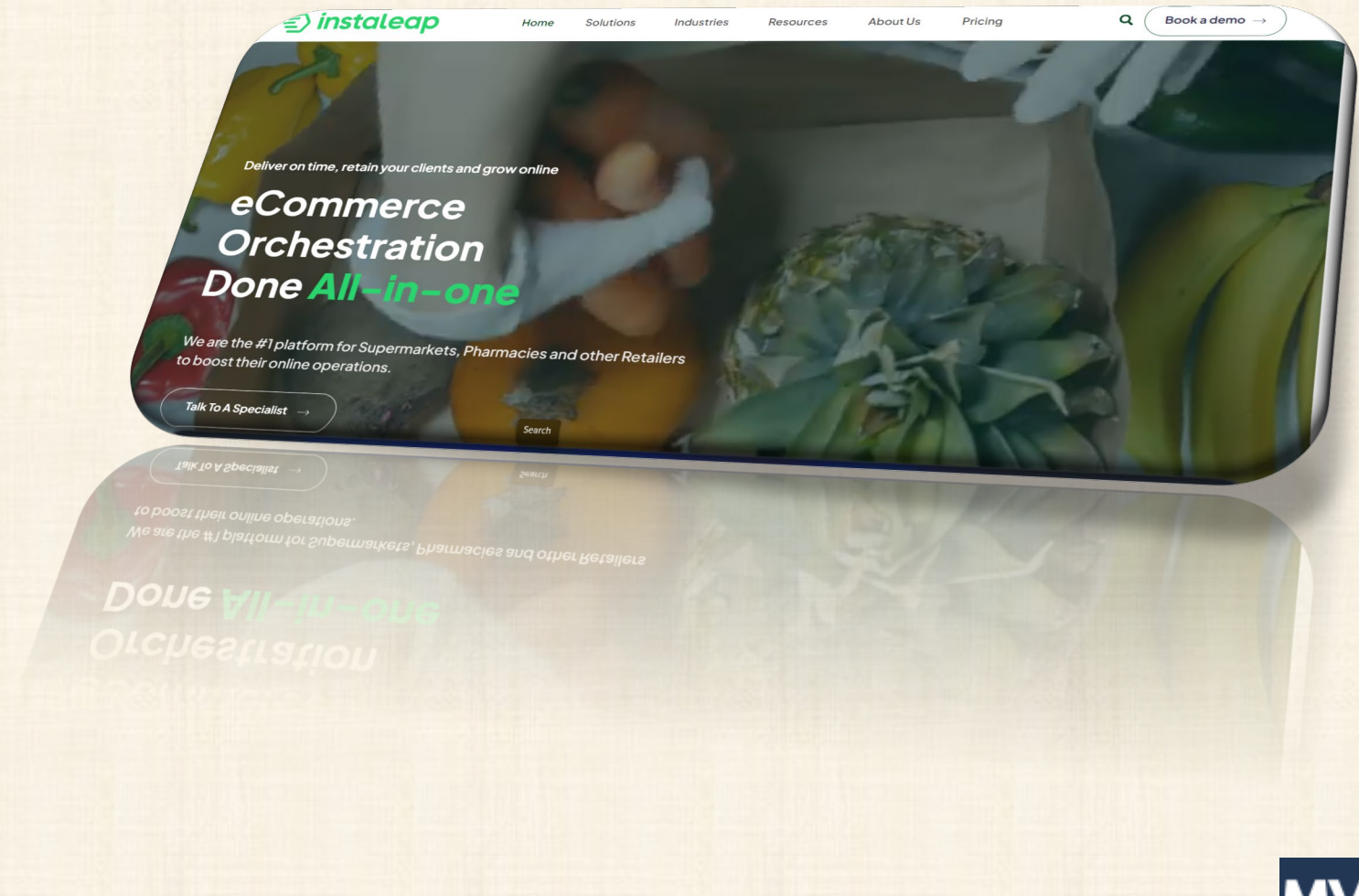
The MENA Opportunity

Middle East Expansion 2023



Contents

1. Research Conducted
2. MENA Landscape: TAM
3. Rise of E-Groceries
4. Q-Com Marketplaces
5. Potential Clients
6. SaaS Growth in MENA
7. Competition Yango Tech
8. Instaleap: Market Positioning
9. Go To Market Strategy
10. MENA Roadmap Year 1
11. Incorporating FZ Entity
12. Investment MENA



Research Conducted

How would Bestby.ae establish & grow its grocery operation:

Stakeholders Interviewed:



Nader Amiri
Founder & CEO

Marketplace Perspective:

1. General Demand
2. Unit Economics
3. SaaS Offerings.
4. Opinion: Yango Tech



Huzaifa Hameed
Founder & CEO

SaaS Perspective:

1. Pricing for Subscriptions.
2. Client Types.
3. Understanding Demand
4. Team size for Sales & Ops.



Alex Alloush
Head of Outlets & Projects

Grocery Perspective:

1. Current Tech Stack
2. What are the Problems
3. E-Grocery Priority
4. Benefit of Marketplaces
5. Commissions Charged



Umashankar Singh
Regional Retail Research Analyst

Grocery Retailer Database:

1. Funding into New Players
2. List of E-Grocery MENA
3. Latest News in E-Groceries



Redseer Strategic Consulting E-Grocery Reports:

1. [UAE E-Grocery Market](#)
2. [Global E-Grocery Market](#)
3. [India's Q-Com Grocery Market](#)

MENA Landscape: TAM

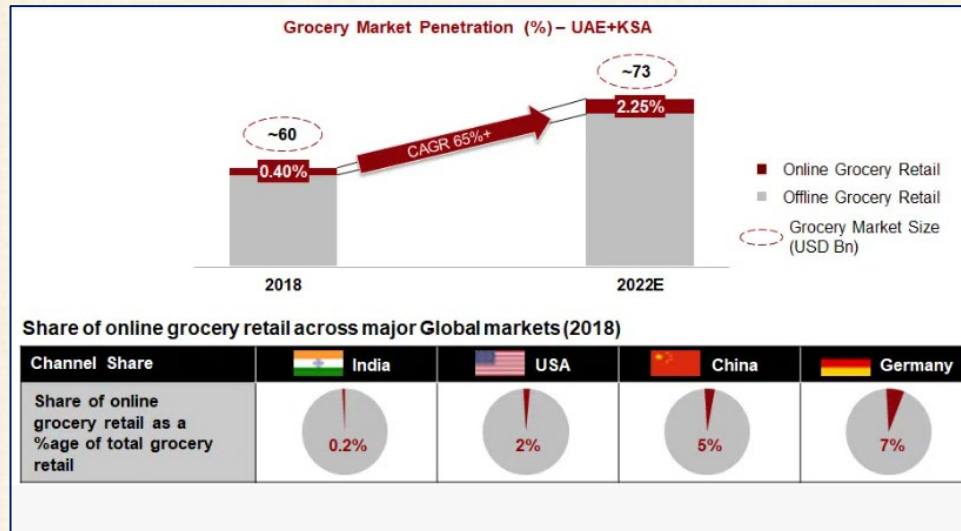
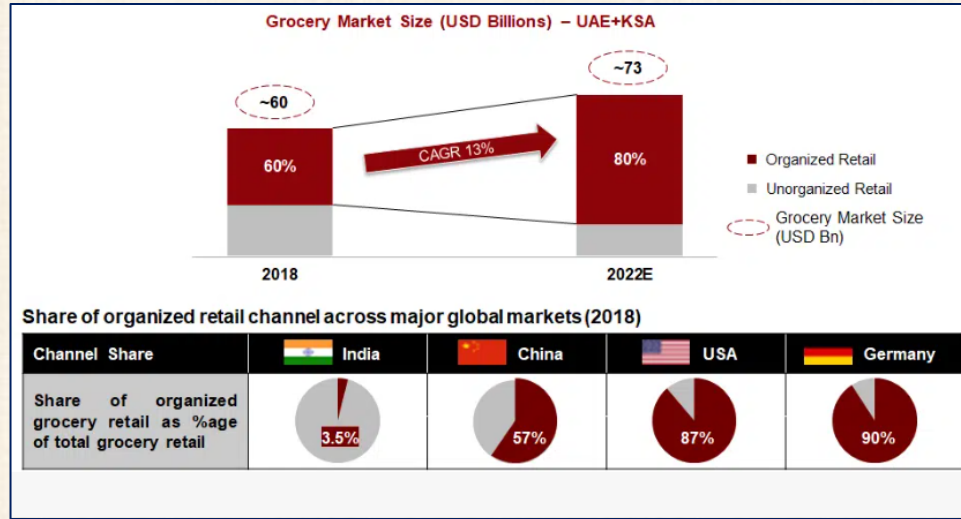
MENA Region: The Middle East & North Africa Opportunity



Markets of Opportunity: Population: 256 Mil*

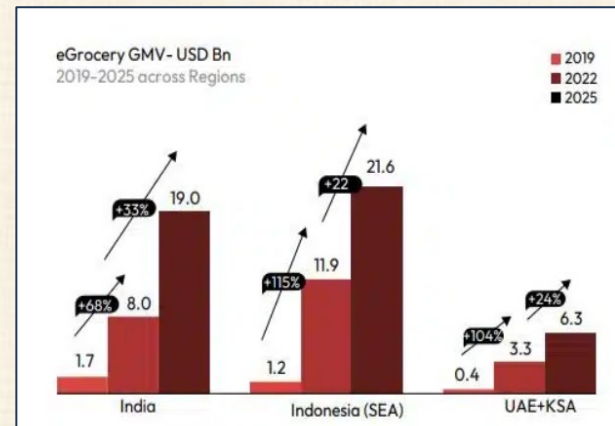
1. UAE: Pop: 9.5 million
2. KSA: Pop: 36.9 million
3. Egypt: Pop: 112.7 million
4. Oman: Pop: 4.6 million
5. Kuwait: Pop: 2.78 million
6. Bahrain: Pop: 1.36 million
7. Turkey: Pop: 85.8 million
8. Qatar: Pop: 2.19 million

Not Considered for Business:
Yemen, Iraq, Iran, Syria, Lebanon & Israel.



Observations:

1. Total MENA Grocery Market is \$ 400 Billion.
2. Q- Com Market to reach \$ 21 bil in 2024 & \$47 bil by 2030
3. UAE Standalone: Online Grocery \$1.6 billion viz 7.8% of the total market of \$ 20 Billion Grocery market.
4. During COVID 79 % of Cx shifted to E-Groceries post covid 47% in UAE and 38% in Saudi remain.
5. Smart Phone Penetration 2022:
 - UAE: 96% : 9.80 Mil
 - Saudi Arabia: 79% : 30 Mil



Sources: Statista, Hulexo MENA, Redseer

Rise of E-Groceries:

2016

2017

2018

2019

2020

2021

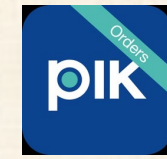
2022

2023

- 2016' Jan – El Grocer is launched officially in UAE
- 2016' Jun – Zadfresh, an online grocery ordering app, is launched in KSA
- 2016' Jul – Lulu Hypermarket officially launched Luluwebstore in UAE
- 2016' Aug – Nana Direct officially launched in Riyadh, KSA
- 2016' Oct – Souq invests in Instashop
- 2016, Nov – Souq.com launches its online hypermarket SOUQ Superstore serving UAE, KSA & Egypt

- 2017' Mar – Salatty.com, online grocery delivery service in KSA is acquired by Careeb Technologies
- 2017' Q2 – Souq.com is acquired by Amazon.com
- 2017' May – Saudi based retail giant Danube Hypermarkets launched its mobile app for Online grocery shopping
- 2017' Jul – UAE based startup elGrocer raised \$0.55 Mn using crowdfunding platform Eureeca
- 2017' Sep – BulkWhiz, bulk grocery delivery start-up, is launched officially in UAE

- 2018' Jan – Wadi.com launches Wadi Grocery in KSA
- 2018' Jul – Carrefour UAE launched CarrefourNow offering free delivery within an hour with no minimum order spend
- 2018' Aug – Noon launches online grocery delivery services in UAE
- 2018' Sep – Bahrain based GetBaqala enter into the KSA market
- 2018' Oct – MAF invest \$30 Mn in Wadi Grocery
- 2018' Oct – Carrefour SA enters into a strategic partnership with Wadi in Saudi



GCC Q-Com Marketplaces:

Battle of the Q-Comm Super Apps



General Observations:

1. Noon is merging all E-Grocery Operations into Q-Com Division
2. Talabat is offering Q-Com to Grocers as Q-CaaS with Aswaaq retail pilot in Dec 2022.
3. Amazon & Lulu have partnered together with Amazon providing the platform for Groceries.
4. Instashop offers Full Stack SaaS to Grocers with PoS & IMS.
5. Instashop had 350,000 Monthly Active Users EoY 2019
6. Large Grocery Chains leaving marketplaces.

Volumes/Day by Marketplaces (Food + Groceries) :

1. Careem: 60,000/Day (20% Groceries)
2. Noon: 90,000/Day (40% Groceries)
3. Talabat: 250,000/Day (30% Groceries)
4. Deliveroo: 70,000/Day (10% Groceries)

Largest E-Grocer in the GCC is Carrefour & Kibsons

Unit Economics:

1. Avg. AOV/ Dark Store Q-Comm: AED 60-80
2. General Sq Footage: 2000 or 4500 sq ft
3. Avg. Orders/Dark Store: 600/day
4. Gross Margins: 15-20%

Additional Charges:

1. Last Delivery Charged to Cx: AED 5/6
2. Small Order Fee: AED 2

Dark Store capacity Dubai EoY 2022:

1. Careem: 100
2. Noon: 70
3. Talabat: 30

Potential Clients

Lead Tier System: Priority based on Order volumes per day

AAA

International Chains:



TIER 1

Large E-Commerce:



TIER 2

Local Retail Chains:



TIER 3

Standalone Stores:



SaaS Growth MENA

Emergence of SaaS Solutions across the MENA Region



Food Tech

Foodics: Point of Sale
Qlub: Payments
Deliverect: Frontend & ERP
Supy: Inventory Management
Kaso: Procurement



Logistics

Fareye: Fleet Mgt
Carriyo: Fleet Mgt
Shipsy: Fleet Mgt
Ship Rocket: Fleet Mgt
Lyve: Fleet Mgt
Cargoz: Warehousing
Deporter: Fullfilment



FinTech

Tabby: BNPL
Tamara: BNPL
Cashee: BNPL
Qashio: BNPL
NymCard: Virtual Wallet
Tellr: Payment Gateway
Geidea: Payment Gateway



E-Commerce

Salla: Hosting
Zid: Hosting
Hostinger: Hosting
Revton: E-Com Setup
Fodel: PUDO
RedBox: Smart Lockers



Observations:

1. Market Education is established.
2. Need for independent solutions is the clear need.
3. MENA market aware of Dunzo, and Blinkit struggles in the Q-Comm Space.
4. Rise of regional hosting platforms like Salla, Zid & Hostinger also show push for independent solutions.
5. Opening of Saudi & Egypt markets a big incentive to Local incumbents to push for independent supply chains.



Q-Com

Instashop: PoS
Yango Tech: IMS/WMS



Yango: Another Super App?

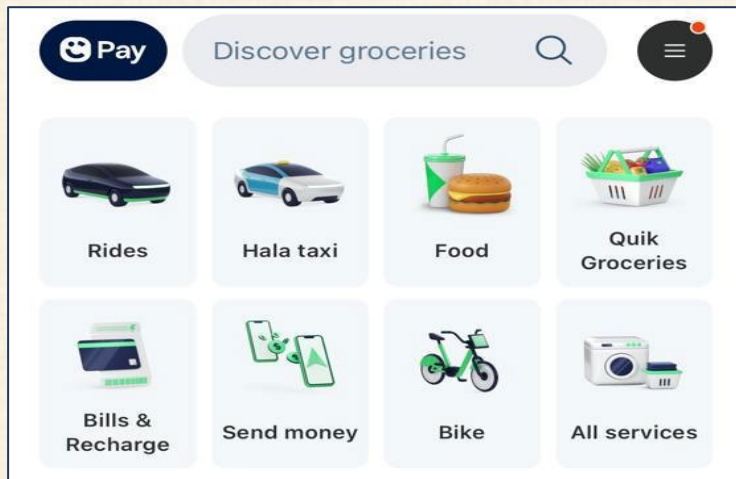
OUR SERVICES



WE'RE HERE AND THERE FOR YOU



YANGO



Careem

Essentially Yango is competing against Careem Super App

Observations:

1. Creates a barrier to entry with Super App Incumbents.
2. Market Positioning as another Super App market Entry.
3. Yango Deli Israel indicates a Dark Store Marketplace Model.
4. Data Privacy & Russian Origins | Brand Image.
5. Nana Direct (Saudi) has adopted Yango Tech after 6 years of Operations.

YANGO TECH

GTM Strategy:

Full Stack Solution for E-Commerce & Q-Commerce

Services Sold:

- White Label Store App
- Courier & Picker App
- Warehouse Management Software
- Inventory Management Software

Geographies Covered:

Israel, UK, India, UAE, Indonesia, Saudi Arabia

Known Clients:

Nana (KSA) | PtteM (TUR) | Korzinka (UBK)

Key People:

Max Avtukhov: CEO
Evgeny Chernikov: COO
Employee Strength: 59 WW | 12 UAE

YANGO DELIVERY

GTM Strategy:

Express Delivery for E-Commerce Businesses

Services Sold:

- Last Mile Delivery Infrastructure
- Fleet Management Software
- Real Time Delivery Tracking
- Reverse Delivery

Geographies Covered:

Middle East: 4 Cn | Africa: 2 Cn | LATAM: 4 Cn

Known Clients:

Ferns & Petals (UAE) | Restaurants

Key People:

Agam Garg: General Manager
Employee Strength: 163 WW | 31 UAE

Instaleap: MENA Positioning



GTM Strategy:

Full Stack Solution for E-Grocers

Services Sold:

- White Label Store App
- Courier & Picker App
- Warehouse Management Software
- Inventory Management Software

Geographies Covered:

Europe: 5 Cn | N Am: 4 Cn | LATAM: 8 Cn

Known Clients:

Walmart, Carrefour, HEB

Key People:

Antonio Nunes: Founder

Employee Strength: 155 WW | 0 UAE

1. Double Down as a SaaS for the E- Grocery sector targeting:

- Grocers, Pharmacies, Hardware Stores

2. Establish Instaleap as a Global Market Expert in the E- Grocery Biz:

- Attend and be visible at Grocery Tech & Agriculture Tech Conferences.
- Conduct Podcasts and Market Seminars
- Push for Incoming Sales Leads

3. Push as a flexible solutions provider:

- Growth through partnerships.

4. Be Frugal and Nimble:

- Small Team which can move quickly with an ability to think smartly

MENA GTM Strategy



Strategy 1:

Partnerships: Marketplaces
Precedent: Yango & Nana Direct

1. Marketplace: Careem, Noon, Deliveroo.
2. Logistics SaaS: Lyve Global, QuipUp.

Advantages:

1. Large Incumbent Clients.
2. Value Addition for Grocery Players.
3. Investment from Marketplaces.
4. Significant Market Reach

Disadvantages:

1. Revenue Share.
2. Dealing with Referral Customers.
3. Competitive Pricing



Strategy 2:

SaaS Integrations:

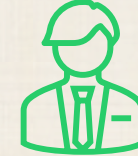
1. Integrations with Fleet Management SaaS.
2. Integrations with PoS Cos & WMS

Advantages:

1. Complete the Tech Stack.
2. Value Addition for SaaS Players.
3. Addition of 3PL Logistics.

Disadvantages:

1. Longer Turnarounds



Strategy 3:

Independent Sales:

1. PR & Marketing.
2. Media with Grocery Majors
3. Case Studies in the Region.
4. Attend Trade fairs in the MENA
5. Leverage International Tie-Ups

Advantages:

1. Many offline Clients
2. Value Addition for Grocery Players
3. Higher Margins & Direct Customers

Disadvantages:

1. Resource Intensive
2. Longer Turnarounds

MENA Roadmap Year 1

Phase 1

Nov 23- April 24 6 Mths (Ramadan)

KPI Roadmap:

1. Establish the FZ LLC
2. Research all SaaS Products
3. Finalize Pricing.
4. Finalize Integrations SaaS
5. Finalize Hardware Offering (If any)
6. Make Marketplace Deal: Careem
7. Make SaaS Deal: Lyve Global
8. Make Retailer: VIVA & Al Maya
9. Identify Candidates for Team
10. Identify Opportunities in the GCC
11. Create the Marketing Strategy & Budget
12. Create the Sales Lead List
13. Create a Revenue Projection.
14. Feature in Seamless & Retail Conf 2024.

Phase 2

June 24 - Dec 24

KPI Roadmap:

1. Hire the Team & Train them
2. Establish a working office space
3. Settle on the Ops Protocol for Servicing Clients
4. Create the Sales Targets for the year.
5. Begin with the Marketing Campaign.

Notes

Marketplace:

Approach Careem/

1. Steve Kruger CTO Careem (Atlantic Council)
2. Nader Amiri founder El-Grocer

Retailer:

Approach VIVA & Al Maya

1. VIVA just started 2 years into Ops
2. Al Maya well established chain

SaaS Integrations:

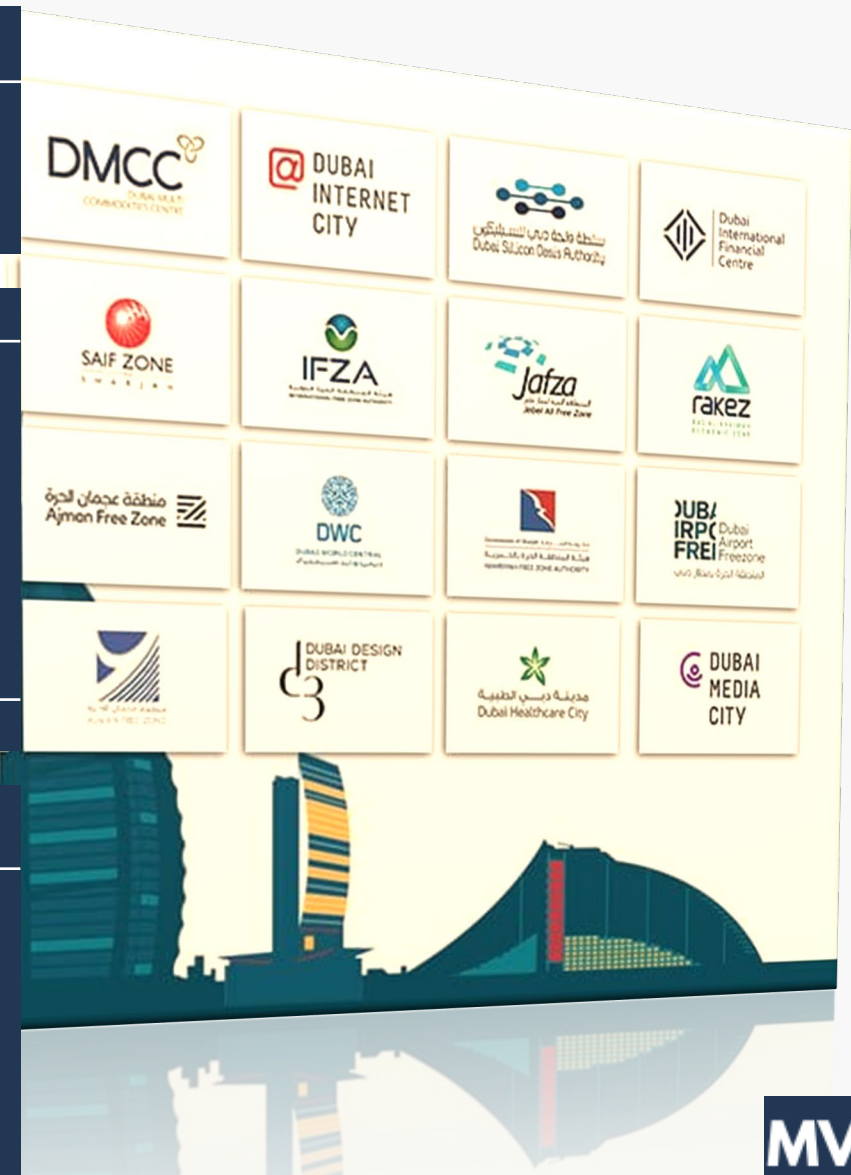
1. Integrate with Lyve Global (Jeebly)

Incorporating MENA FZ Entity

No	Annualized Costs for establishing the Registered Entity	AE Dirham	US Dollar
1	Trade License at a registered Free Trade Zone	AED 8,500	USD 2231
2	Corporate Bank Account	AED 1,260	USD 331
3	Renewed Annually after 1st year of Operations	AED 10,500	USD 2756

No	New Employee Onboarding Costs	AE Dirham	US Dollar
1	E-Channel Registration	AED 2,355	USD 618
2	Immigration Card	AED 1,800	USD 472
3	Visa Allocation with Visa Fee	AED 5,000	USD 1312
4	Change of Status (if needed)	AED 1,500	USD 394
5	Medical, Biometrics & EID	AED 1,000	USD 262
6	Health Insurance	AED 1,000	USD 262
7	Unemployment Insurance	AED 120	USD 32
TOTAL:		AED 12,775	USD 3353

No	Payroll Possible Team Structure EoY 2024	CTC/Mth AED	CTC/Mth USD
1	Director – Middle East	AED 40,000	USD 10,500
2	Senior Sales Manager	AED 12,000	USD 3,150
3	Operations Manager	AED 10,000	USD 2,624
4	CRM/Support Executive	AED 6,500	USD 1706
5	Sales Bonuses	AED 8,000	USD 2,099
TOTAL		AED 76,500	USD 20,079



Investment MENA

No	One Time Fixed Costs	AEDirham	USDollar
1	Incorporation Costs	AED 9,760	USD 2,562
2	New Employee Registration x 3	AED 38,325	USD 10,059
	TOTAL:	AED 48,085	USD 12,621


No	Monthly Expenditure	AEDirham	USDollar
1	Payroll	AED 76,500	USD 20,079
2	Marketing Budget	AED 10,000	USD 2,625
3	Admin & Miscellaneous	AED 5,000	USD 1,312
	TOTAL:	AED 91,500	USD 24,016

No	TOTAL MENA INVESTMENT YEAR ONE	AEDirham	USDollar
1	Fixed Costs	AED 48,085	USD 12,621
2	Monthly Expenditure x 12	AED 1,098,000	USD 288,188
	TOTAL:	AED 1,146,085	USD 300,809


No	TOTAL MENA INVESTMENT YEAR ONE (Recommended)	AEDirham	USDollar
1	Incorporation Costs	AED 9,760	USD 2,562
2	Employee 1 Registration	AED 5,000	USD 1,312
3	Payroll {Nov 23 – May 24}	AED 315,000	USD 82,677
4	New Employee Registration x 3	AED 38,325	USD 10,059
5	Payroll {June 24 – Dec 24}	AED 640,000	USD 168,110
	TOTAL:	AED 1,008,085	USD 264,720

Contact

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