



شركة وادي الرياض
Riyadh Valley Co

Micro-Logistics

The New Backbone of Urban Commerce



September, 2025

Riyadh Valley Company



Growth by Innovation

Riyadh Valley Co. A Quality Shift towards the Future

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Based on the company's stated purposes in the Articles of Association, the following main activities have been identified:

1 Venture Capital Investments

2 Strategic Investments

3 Enriching Innovation Ecosystem

For More Information: www.rvc.com.sa

The evolution of Logistics:

Ancient Civilizations

> (Egyptian, Roman) developed storage and transport systems for armies and trade.

Early 20th Century

> Motorized vehicles replaced horse-drawn carts, revolutionizing urban delivery. UPS also was founded in this period.

Late 20th Century

> Computerized inventory management, real-time warehouse systems and global supply chains emergence.

2009

> Amazon launches same-day delivery in select cities.

2018

> Amazon and other giants build proprietary last-mile networks, using thousands of delivery vehicles.

18th and 19th Century

> During industrial revolution invention of railways and steamships enabled faster, broader distribution of goods.

1960s-1970s

> Emergence of major logistics providers (DHL, FedEx) and the concept of “physical distribution” and warehouse management systems emerged.

Early 2000s

> Emergence of early e-commerce accelerates demand for fast, reliable last-mile delivery.

2010-2020s

> Industry 4.0 – Introduction of real-time tracking, delivery slot selection and value-added services into logistics.

Present

> Logistics 4.0: Adoption of automation, robotics, IoT, drones and AI for faster, more efficient last-mile delivery.

Source: Mecalux

INTRODUCTION

In an era defined by instant gratification, urbanization, and digitally driven consumption, the logistics industry is undergoing a profound transformation. What was once a linear, centralized supply chain model built for bulk movement and long lead times is rapidly giving way to a decentralized, agile, and customer-centric logistics framework.

Micro-logistics, often synonymous with last-mile delivery and characterized by small-scale, hyperlocal fulfilment centers and last-mile innovations, is becoming the new backbone of urban commerce, enabling rapid, reliable, and flexible delivery solutions across densely populated areas. By bringing goods closer to the end consumer and optimizing the final leg of delivery, micro-logistics ensures speed, efficiency, and customer satisfaction, factors that are now fundamental to business competitiveness.

Historically, logistics was a behind-the-scenes function, primarily tactical, cost-driven, and built around large distribution hubs located far from consumers. However, the explosive growth of e-commerce, quick commerce (q-commerce), and on-demand services has pushed the boundaries of traditional fulfilment models. Cities today are not only centers of consumption but also complex delivery ecosystems where speed, convenience, and precision are non-negotiable. As a result, micro-logistics has emerged as a strategic imperative, redefining how inventory is stored, picked, and delivered within urban zones.





Overview of Micro-logistics

What is Micro-Logistics?




Micro-logistics refers to the management and optimization of logistics processes at a highly localized level, focusing on movement, storage, and delivery of goods within urban environments or close to the end consumer. It incorporates strategies and infrastructure designed to enhance speed, flexibility and efficiency in the final stages of the supply chain, particularly for e-commerce, q-commerce and on-demand services.

Need for Micro-Logistics



The concept of micro-logistics originated in sectors requiring high precision and rapid response, such as pharmaceuticals, food delivery and e-commerce. Its need has grown parallelly to the rise of e-commerce, urbanization and shifting consumer expectations. Consumers are increasingly demanding 2–3-day delivery as standard. In many regions, a growing number of them also want same-day or even under one-hour delivery. Last-mile delivery, the final step in the delivery process, is often the most complex and costly aspect and can account for up to 53% of total shipping costs in some markets. As a result, businesses are being compelled to rethink traditional, centralized logistics models.¹ Micro-logistics addresses these challenges by decentralizing inventory and fulfilment operations, positioning goods closer to customers and leveraging technology for real-time tracking and route optimization.

Drivers	Description	Resulting Need and Impact
 <p>Rise of instant gratification</p>	<ul style="list-style-type: none"> » Consumers expect same-day or even 10–30-minute deliveries, especially in groceries, food and medicine. » Convenience > Costs: Many are willing to pay a premium for speed, ease, pushing businesses to decentralize fulfilment. » Mobile first Shopping: Over 70% of e-commerce shopping orders globally are now initiated via mobile apps demanding highly responsive logistics networks. 	<p>Need: Faster, hyperlocal fulfilment</p> <p>Impact: Brands must store inventory closer to customers to fulfil orders faster and more reliably.</p>
 <p>E-commerce and Q-commerce growth</p>	<ul style="list-style-type: none"> » Global E-Commerce: Expected to cross USD 195 billion by 2025,² with high order densities in urban areas. » Q-Commerce Boom: Ultra-fast delivery models (10–20 min) are driving the need for hyperlocal micro-warehouses, especially in groceries and food delivery. » Increased Order Volume & Frequency: Higher parcel counts and smaller basket sizes require faster restocking and distributed fulfilment. 	<p>Need: High-volume, high-frequency order handling</p> <p>Impact: Centralized warehouses are no longer sufficient—localized micro-logistics hubs are now vital.</p>

¹ Forbes
² Statista

 <p>Urbanization</p>	<ul style="list-style-type: none"> » Over 55% of the global population lives in urban areas, projected to reach 68% by 2050.³ » Mega-cities (population >10 million) demand faster delivery cycles due to traffic congestion and time-sensitive consumer needs. » Urban sprawl creates more delivery nodes across zip codes, increasing pressure on last-mile networks. 	<p>Need: Smaller, closer storage hubs.</p> <p>Impact: Micro-logistics centers embedded within urban infrastructure reduce delivery times and fuel consumption.</p>
 <p>Tactical to strategic differentiator</p>	<ul style="list-style-type: none"> » Logistics is no longer just a cost center but a core part of brand experience and customer satisfaction » Businesses are using logistics as a differentiator through speed, flexibility and service quality. » Traditional centralized supply chains lack agility and responsiveness in dynamic markets. » Competitive advantage is increasingly tied to how well a company executes last-mile and fulfilment strategies. 	<p>Need: Flexible, decentralized, tech-enabled fulfilment networks</p> <p>Impact: Transforms logistics into a brand enabler – offering faster delivery, personalized service and real-time responsiveness that drives customer loyalty and operational efficiency.</p>
 <p>Technology advancements</p>	<ul style="list-style-type: none"> » Automation & Robotics: Enable fast picking/packing in small spaces (used in MFCs). » AI & Machine Learning: Improve demand forecasting, route optimization, and inventory management. » IoT & Real-time Tracking: Give visibility into package location, temperature, and ETA, enabling tighter SLAs. » Mobile Apps & APIs: Facilitate seamless integration between order platforms, warehouses, and couriers. 	<p>Need: Feasibility of automating small-scale warehouses.</p> <p>Impact: Tech makes it viable to manage decentralized, mini warehouses with minimal manual intervention.</p>
 <p>Sustainability concerns</p>	<ul style="list-style-type: none"> » Urban last-mile logistics account for 30–40% of urban delivery emissions. » Cities (e.g., London, Paris, Riyadh) are pushing for low-emission zones and green delivery incentives. » Companies are adopting green fleets (electric bikes, vans), shorter delivery radii, and reusable packaging. 	<p>Need: Reduced emissions via local deliveries and green fleets.</p> <p>Impact: Micro-logistics helps cut emissions by reducing travel distance and enabling green fleet use.</p>
 <p>Supply chain disruptions</p>	<ul style="list-style-type: none"> » COVID-19 exposed vulnerabilities in centralized supply chains. » Frequent disruptions (wars, inflation, regulatory changes) demand resilient, flexible, multi-node networks. » Distributed inventory across micro-fulfilment centers reduces risk from localized disruptions (e.g., port delays). 	<p>Need: Decentralized, resilient logistics networks.</p> <p>Impact: Micro-logistics decentralizes risk and builds redundancy across the network.</p>

³ United Nations Statistics Division

 <p>Omnichannel retail</p>	<ul style="list-style-type: none"> » Traditional retailers are transforming stores into hybrid nodes for shipping, returns, and pickup. » Customers expect Buy Online, Pick-up In-Store (BOPIS), curbside pickup, and scheduled same-day delivery. » Micro-logistics supports fast local fulfillment to meet omnichannel demand. 	<p>Need: Unified, local inventory for all shopping touchpoints.</p> <p>Impact: MFCs and dark stores are enabling true omnichannel agility.</p>
 <p>Subscription-based commerce</p>	<ul style="list-style-type: none"> » Models like Amazon's Subscribe & Save require precise, recurring, fast deliveries.⁴ » Predictive logistics need localized inventory with AI-driven restocking. 	<p>Need: Predictable, efficient replenishment with micro hubs.</p> <p>Impact: Micro-logistics supports predictable, high-frequency deliveries with lower transportation costs.</p>

Core Components of Micro-Logistics Infrastructure



⁴ Amazon

Global Micro-logistics Industry

Global Market Size

Segment	Market Size/Revenues (2024)	Market Size (Forecasted)	Growth Rate (CAGR)
Global Logistics Market	\$5.65 trillion (2024)	\$8.07 trillion (2033)	4.02% (Period 2025-2033)
Global Courier, Express and Parcel (CEP) Market	\$456.6 billion (2024)	\$632.1 billion (2033)	3.7% (Period 2025-2033)
Global Last Mile Delivery Market	\$179.5 billion (2024)	\$481.6 billion (2034)	10.5% (Period 2025-2034)
Global Micro-Fulfillment Market	\$6.34 billion (2024)	\$125.82 billion (2034)	34.83% (Period 2025-2034)
Global On-Demand Warehousing Market	\$130.4 million (2024)	\$455.4 billion (2034)	13.32% (Period 2025-2034)

Source: imarc, Insight Ace Analytics, Precedence Research

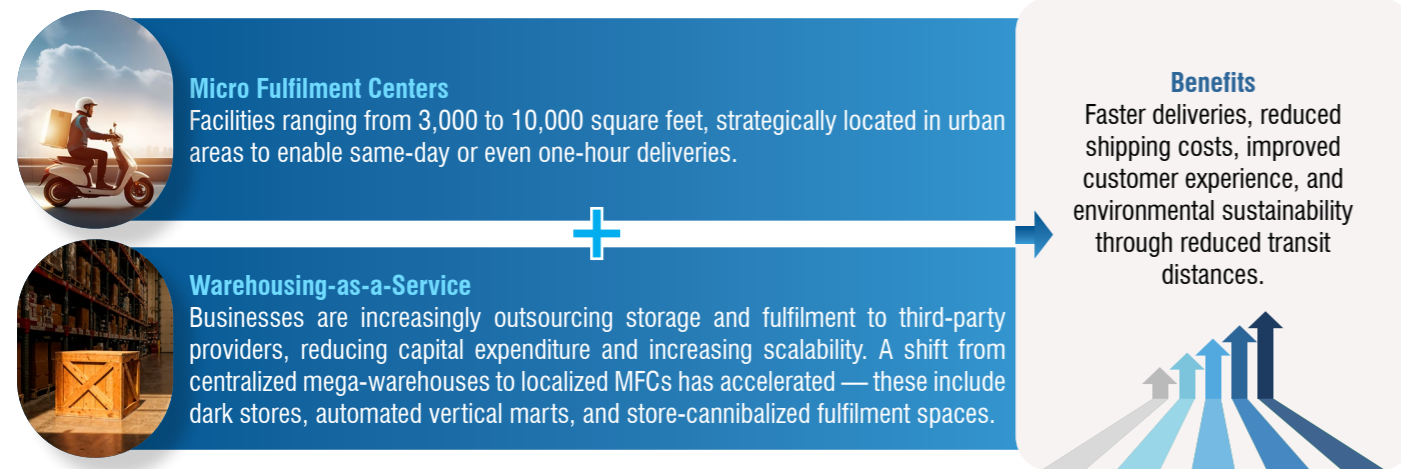
Global Quick Commerce Market Statistics

Category	Value
Global Quick Commerce Revenues	\$195 billion in 2025, expected to reach \$283 billion in 2030
Global Quick Commerce Revenue Growth Rate	CAGR of 7.74% (in the period 2025-2030)
Number of Users	930.3 million (2030F)
User Penetration	8.6% in 2025, forecasted to be 11.4% in 2030
Average Revenue per User (ARPU)	\$288.79
Major Revenue Generating Region	China (\$92.68 billion in 2025)
Major User Penetration Region	China (24.1% in 2025)

Source: Statista

Rise of Warehousing-as-a-Service and Micro Fulfilment Centers

The global rise of Warehousing-as-a-Service (WaaS) and Micro Fulfilment Centers (MFCs) is being propelled by the increasing demand for agile, customized logistics solutions. As online retail continues to expand, businesses are seeking flexible, scalable warehousing options that can quickly adapt to fluctuating inventory requirements and enable rapid order fulfilment. This shift is largely driven by the need to meet modern consumer expectations for fast and reliable deliveries. According to the U.S. Department of Commerce, e-commerce sales grew by 15.5% in 2023, highlighting how changing consumer behaviour is accelerating the adoption of adaptable warehousing strategies. WaaS and MFCs offer essential capabilities for companies aiming to efficiently serve today's digital shoppers. Furthermore, the growing emphasis on sustainability is enhancing the appeal of these flexible warehousing models, as both businesses and logistics providers look for environmentally responsible storage solutions that minimize their ecological footprint.



Source: DHL

Supply Chain Redesign

The evolution of logistics has mirrored the broader waves of industrial and technological transformation, moving from manual, paper-based processes to today's highly digitized, intelligent systems.

- 1.0 Logistics 1.0** It was associated with the Industrial Revolution, during which operations focused on transportation and storage using relatively primitive methods. The primary goal was to deliver goods from producers to markets with limited efficiency and at the lowest possible cost.
- 2.0 Logistics 2.0** It emerged after World War II and was characterized by the introduction of mechanization and basic information systems. This model allowed for large-scale distribution and economies of scale, but it still relied on centralized and fixed hubs.
- 3.0** It was linked to the emergence of globalization and the growth of e-commerce, marked by globally interconnected supply chains relying on advanced systems such as Enterprise Resource Planning (ERP) and real-time shipment tracking. The focus shifted to integrating manufacturing and distribution across multiple markets.
- 4.0** Amid increasing pressures on supply chains due to rapid urban expansion and rising consumer expectations, many companies have moved to redesign their logistics networks to be more flexible and agile, capable of responding effectively to actual market demand. This shift reflects a strategic move from centralized, uniform models to decentralized models based on distributed fulfilment centers, supported by advanced technologies including predictive analytics, automation, and local storage strategies. This approach has paved the way for innovative solutions such as micro-logistics, digital stores, and storage-as-a-service, which have become defining features of the fourth generation of logistics services.⁵



⁵ DHL

Modern Trends in micro-logistics

Micro-logistics continues to evolve rapidly, shaped by technological advancements, consumer expectations and the goal of improving operational efficiency and sustainability. Few major trends are mentioned below:

1 Automation and robotics

Automation and robotics: Intelligent warehouse management systems and collaborative robots (cobots) are increasingly used to automate picking, packing and sorting to reduce errors and speed up deliveries.^{6,7,8}

2 Artificial Intelligence (AI) and Analytics

AI and machine learning assist in demand forecasting, route optimization and real-time inventory management systems which enables businesses to respond quickly to market changes and customer needs. Examples include FedEx's acquisition of RouteSmart underlining AI's role in last-mile efficiency.⁹

3 Real-Time Data Availability

IoT sensors, RFID tags, and GPS enabled devices provide real-time tracking, dynamic route planning, and predictive analytics, which gives the users the live status of the operations and the ability to monitor them.

4 Urban micro-hubs and micro-fulfilment centers (MFCs)

The growth of urban micro-hubs and MFCs enable same-day or one-hour deliveries, especially in densely populated areas by positioning inventories closer to customers.

5 Last mile innovations and sustainable initiatives





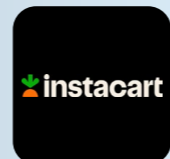
Piloting of autonomous vehicles, usage of drones, investing in electric or hydrogen vehicle fleets, optimizing packaging and adopting circular supply chains helps in reducing costs and minimize environmental impact.

6 Outsourcing logistics

Shifting costs from fixed to variable is one of the most significant strategic advantages of outsourcing logistics services. In traditional models, companies are required to make substantial capital investments in infrastructure—such as warehouses, vehicles, and permanent labor—which incur costs even during periods of low demand. By contracting with external logistics service providers, a company only bears operational expenses tied to actual activity, such as storage costs per unit or delivery fees per shipment. This transition converts costs from fixed to variable, enhancing a company's flexibility in managing financial resources and adapting to market fluctuations.

⁶ Cobot
⁷ SEC Group
⁸ Datex
⁹ FedEx

Global Micro-Logistics Firms

Company	Country of Origin (Countries Served)	Year Founded	Key Segments	Features	Market Cap/Valuation
 Takeaway.com (Just Eat Takeaway.com N.V.)	Netherlands (Netherlands, United Kingdom, Germany, Canada, Austria, Belgium, Bulgaria, Denmark, Ireland, Israel, Italy, Luxembourg, Australia, Poland, Slovakia, Spain, Switzerland)	2000	Online food ordering and delivery aggregator	<ul style="list-style-type: none"> Food delivery Courier tracking Restaurant logistics Wide restaurant network Promotions and loyalty 	\$4.81b (M-Cap)
	USA	2004	Online food ordering and delivery service	<ul style="list-style-type: none"> Last-mile delivery network Integrated restaurant logistics Real-time order tracking Restaurant search and filtering Order scheduling 	\$0.65b (Acquisition by Wonder Group)
	China	2010	Super-app for food, groceries, and local services	<ul style="list-style-type: none"> Dense urban delivery AI-powered dispatch Multiple service offerings Loyalty programs Real-time tracking 	\$96.59b (M-Cap)
 zomato (Eternal Ltd.)	India	2010	Food discovery and delivery platform	<ul style="list-style-type: none"> Food delivery Real-time courier tracking Restaurant discovery and reviews In-app ordering and payments 	\$27.7b (M-Cap)
 instacart (Maplebear Inc.)	USA (USA, Canada)	2012	Grocery delivery and personal shopping service	<ul style="list-style-type: none"> Grocery micro-fulfilment Real-time shopper tracking Batch order optimization Multi-store selection Scheduled delivery 	\$12.7b (M-Cap)

	USA (USA, Canada, Australia, New Zealand, Japan, Germany)	2013	Food, grocery and retail delivery platform	<ul style="list-style-type: none"> Extensive last-mile delivery network Real-time tracking Route Optimization Flexible fulfilment In-app payments and promotions 	\$100.33b (M-Cap)
 (Eternal Ltd.)	India	2013	Instant grocery delivery platform	<ul style="list-style-type: none"> 10-minute grocery delivery Micro-fulfilment centers Real-time inventory tracking Wide product range Instant refunds 	(Zomato subsidiary)
	United Kingdom (United Kingdom, France, Belgium, Ireland, Italy, Singapore, Kuwait, Qatar, United Arab Emirates)	2013	Hyperlocal food delivery aggregator	<ul style="list-style-type: none"> Hyperlocal food delivery Real-time courier tracking Wide restaurant selection Subscription for free delivery Promotions 	\$3.56b (M-Cap)
 (Smartshift Logistics Solutions Pvt. Ltd.)	India	2014	Intra-city logistics and goods transportation	<ul style="list-style-type: none"> On-demand intra-city logistics Multiple vehicle options Real-time driver tracking Transparent pricing App-based booking 	\$1.2b (Valuation)
	Mexico (Mexico, Columbia, Peru, Chile)	2014	Hyperlocal and same-day e-commerce delivery	<ul style="list-style-type: none"> Hyperlocal/same-day delivery Micro-fulfilment centers Real-time tracking E-commerce integration Sustainable delivery 	-
 (Roppen Transportation Services Pvt. Ltd.)	India	2015	Bike taxi and last-mile parcel delivery	<ul style="list-style-type: none"> Bike-based last-mile delivery Fast urban logistics Real-time tracking Bike taxi and parcel delivery 	\$1.1b (Valuation)

 (GoLorry)	USA (USA, India)	2015	On-demand trucking and freight logistics	<ul style="list-style-type: none"> On-demand trucking Real-time load tracking Digital documentation Multiple vehicle types Transparent pricing 	-
	USA	2018	On-demand delivery for construction/ industrial supplies	<ul style="list-style-type: none"> On-demand industrial delivery Real-time tracking Optimized routing Nationwide coverage Multiple vehicle options 	\$0.16m (Valuation)
	India	2021	Ultra-fast grocery delivery platform	<ul style="list-style-type: none"> 10-minute grocery delivery Dense micro-warehouses Real-time tracking Curated grocery selection Fast support 	\$7b (Valuation)
	USA	2022	Same-day delivery for businesses and retailers	<ul style="list-style-type: none"> Same-day local delivery Real-time tracking Optimized routing Supports retail and food Merchant integration 	-
	Vietnam	2022	Smart locker and parcel pickup/drop-off network	<ul style="list-style-type: none"> Smart locker network Reduces failed deliveries E-commerce integration 24/7 parcel access Real-time notifications 	-

Source: Company's website, Crunchbase, Tracxn, Y-Combinator, Pitchbook, Bloomberg.

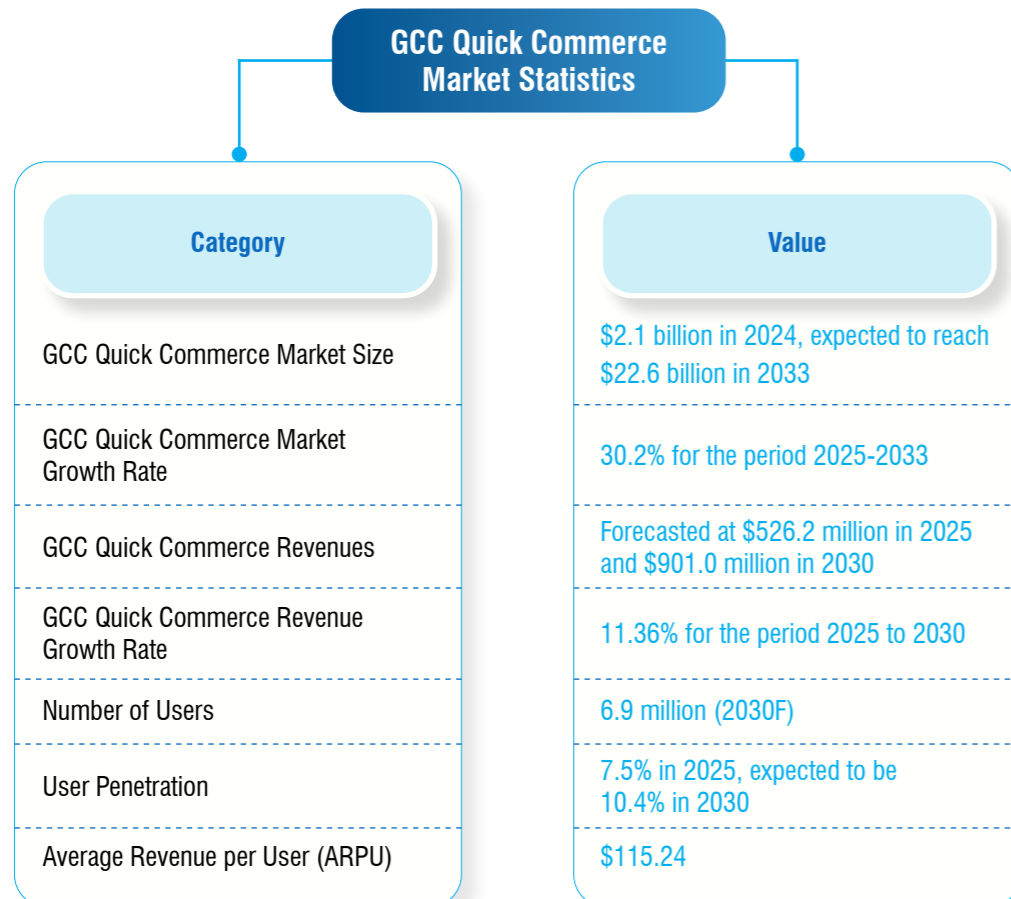


Micro-logistics in GCC

Market Size in GCC

Segment	Present Market Size/ Revenues	Present Market Size/ Revenues	Growth Rate (CAGR)
GCC Freight and Logistics Market	\$172.1 billion (2024)	\$293.2 billion (2033)	5.70% (Period 2025-2033)
GCC Logistics Market	\$109 billion (2024)	\$171 billion (2033)	5.10% (Period 2025-2033)
GCC Courier, Express and Parcel Market	\$3.89 billion (2025)	\$5.52 billion (2030)	7.25% (Period 2025-2030)
GCC Last Mile Delivery Market	\$14.62 billion (2024)	\$25.99 billion (2031)	8.6% (Period 2025-2031)
GCC Warehousing and Distribution Market	\$16.99 billion (2025)	\$24.44 billion (2030)	7.54% (Period 2025-2030)

Source: imarc, Research and Markets, Business Market Insights



Source: Statista, imarc

Key Drivers

E-Commerce:

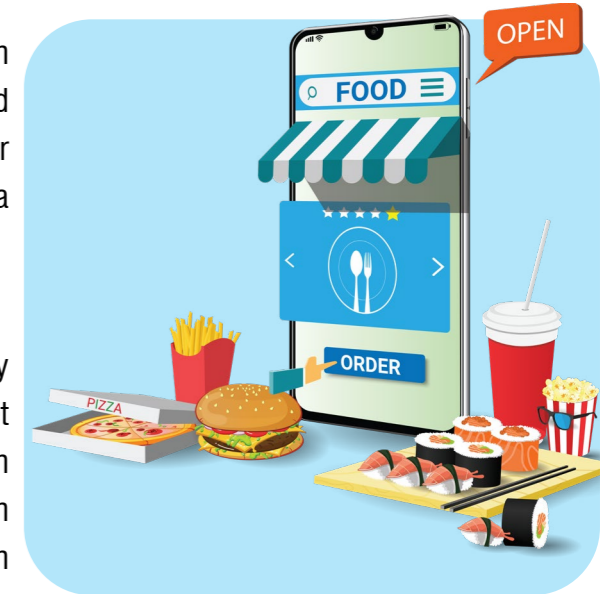
Rapid growth in online retail, with e-tail and online food deliveries in the GCC reaching a combined value of over USD 11 billion. Major players include Amazon.ae (Souq), Noon, and Namshi. GCC e-commerce set to reach USD 50 billion by 2027

Quick Commerce & Food Delivery:

The quick commerce market in the GCC reached USD 2.1 billion in 2024. Projected to grow at a rate of 30.2% during the period 2025–2033, driven by urbanization and consumer demand for convenience, with dense cities like Dubai, Riyadh, and Doha demand 10–30 minute delivery, pushing q-commerce expansion

Technology and Sustainability:

Adoption of automation, AI, digital tracking, and eco-friendly practices is enhancing operational efficiency and supporting market expansion. Companies like Amazon and Noon deployed robots in fulfilment centers, Maersk and DP World integrated blockchain (TradeLens initiative), and GWC (Qatar) is leveraging AI-driven analytics, green logistics to improve efficiency and contribute to a sustainable future



Infrastructure & Logistics Strategy:

Investments in multimodal hubs (ports, airports, roads) under programs like Saudi's National Transport & Logistics Strategy (with an estimated budget of USD 266 billion) and UAE's rail and port expansion

Source: Zawya, imarc, NexStrat.ai, DP World, Arabian Business

A major indication for the growth of micro-logistics in the region can be derived from the World Bank's Logistics Performance Index (LPI), which serves as a vital benchmark for assessing a country's logistics efficiency across areas like customs, infrastructure, international shipping, shipment reliability including timeliness, logistics competence, service quality and tracking systems. UAE leads the GCC in global LPI rankings consistently scoring highly on infrastructure, timeliness and tracking capabilities.

Country	Logistics Performance Index Ranking 2023	Logistics Performance Index Score 2023
United Arab Emirates	7	4.0
Bahrain	34	3.5
Qatar	34	3.5
Saudi Arabia	38	3.4
Oman	43	3.3
Kuwait	51	3.2

Source: World Bank Logistics Performance Index 2023

Micro-Logistics Players in GCC

Key players driving the micro-logistics and last-mile delivery space in the GCC include agile startups and specialized firms such as Mrsool, Jahez, Nana, FODEL, Quiq, and Trukkin — each offering tech-enabled, on-demand, and hyperlocal delivery solutions tailored to the region’s evolving urban commerce needs.

Micro-logistics Start-ups in GCC (excluding KSA)

Company	Location Started	Year Founded	Stage	Total Funding	Institutional Investors
 Talabat	Kuwait	2004	Listed	\$2b+	Delivery Hero
 Quiq	UAE	2014	Series B + Debt	\$44.2m	Ministry of Finance, Delivery Hero, Jobi, Cedar Mundi Ventures, Transmed
 SHIPA DELIVERY	UAE	2016	*Agility Subsidiary	-	Agility Ventures
 Lyve™	UAE	2016	Series B	\$35m	The Olayan Group, Faith Capital, Savola Group
 Jeebly	UAE	2016	Seed + Acquisition by Lyve Global	-	Lyve, Aseed
 TRUKKER	UAE	2016	Series C	\$189m	Riyadh Valley Corporation, STV, Investcorp, Raed Ventures, Ruya Partners, ADQ, IFC
 FODEL	UAE	2017	Seed	\$2.6m + Undisclosed	Dubai Cultiv8, Razam Investments, Wa'ad Ventures
 TRUKKIN	UAE	2017	Series A	\$10.5m	Batic, Emkan Capital
 iMile	UAE	2017	Series A	\$ 50m	ByteDance
 Snoonu	Qatar	2019	Series B + Acquisition by Jahez	\$5m (Series A) + \$12m (Series B) + \$245m (Acquisition)	Qatar Development Bank, Jahez Group
 swiftbox	UAE	2020	Seed	\$2m	Mena Technology Fund, Hub71, Polymath Ventures, AirAngels, Ithraa Investment Company

Source: Tracxn, Crunchbase, Pitchbook, Wamda, Magnitt

Micro-logistics in Saudi Arabia

Saudi Arabia’s micro-logistics sector is experiencing strong momentum, fuelled by booming e-commerce, rising demand for q-commerce and strong government support under Vision 2030 initiatives.

Market Size in Saudi Arabia

Segment	Present Market Size/ Revenues	Market Size (Forecasted)	Growth Rate (CAGR)
Saudi Arabia Logistics Market	\$52.7 billion (2024)	\$81.2 billion (2033)	4.9% (Period 2025-2033)
Saudi Arabia Courier, Express and Parcel (CEP) Market	\$1.38 billion (2025)	\$1.88 billion (2030)	6.48% (Period 2025-2030)
Saudi Arabia Last Mile Delivery	\$7.2 billion (2023)	\$11.0 billion (2030)	6.4% (Period 2024-2030)
Saudi Arabia Micro Fulfilment Market Revenues	\$125.3 million (2023)	\$826 million (2030)	30.9% (Period 2024-2030)
Saudi Arabia Warehousing Market	\$1.11 billion (2024)	\$2.46 billion (2033)	8.3% (Period 2025-2033)

Source: imarc, Grand View Research

Saudi Arabia Quick Commerce Market Statistics

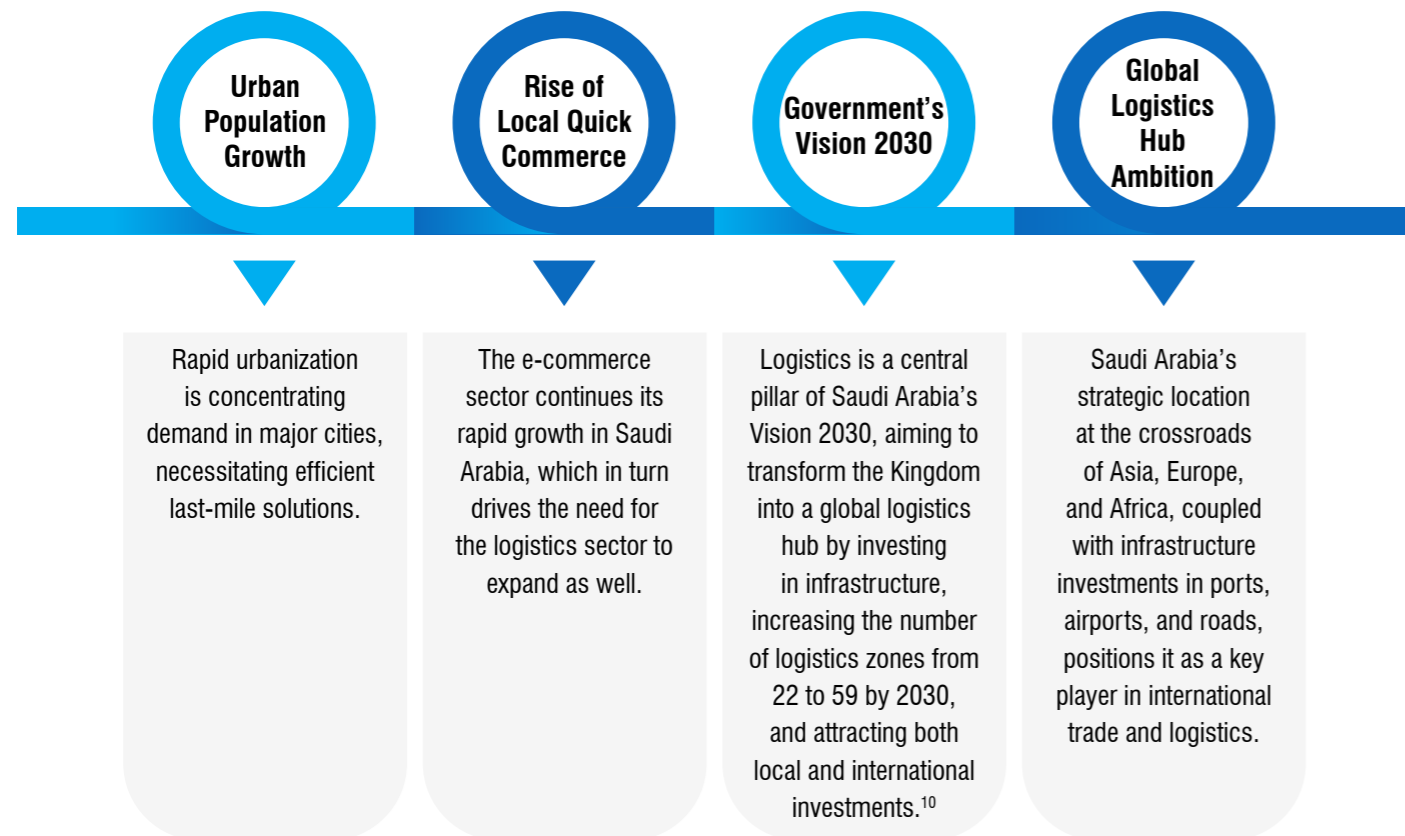
Saudi Arabia Quick Commerce Market Growth Rate	20.21% for the period 2025-2033
Saudi Arabia Quick Commerce Market Size	\$0.45 billion in 2024, expected to reach \$2.35 billion in 2033
Saudi Arabia Quick Commerce Revenues	\$522.5 million in 2025, expected to reach \$896.2 million in 2030
Saudi Arabia Quick Commerce Revenue Growth Rate	CAGR of 11.39% (in the period 2025-2030)
Number of Users	5.6 million (2030F)
User Penetration	10.2% in 2025, 15.1% in 2030
Average Revenue per User (ARPU)	\$147.7

Source: Statista, imarc

In terms of revenue, Saudi Arabia accounted for 5% of the global last mile delivery market in 2023.



This rapid growth is supported by government investments in logistics, infrastructure – covering smaller ports, digital customs and urban logistics hubs – under the Vision 2030 initiatives and the National Transport and Logistics Strategy.

Strategic Importance of the logistics industry






¹⁰ Saudi Arabia Logistics by Eurogroup Consulting

Market Size in Saudi Arabia

Company	Founding Year	Features	Funding Stage and Funding raised
	2012	<ul style="list-style-type: none"> ➔ First Saudi food delivery app, established in 2012, now serving over 102 cities. ➔ Connects users to 55,000+ partners (restaurants, supermarkets, pharmacies, bakeries, flower shops). ➔ Features easy-to-use app, live order tracking, multiple payment options (cash or card), and regular promotions and discounts. ➔ Offers HPlus: unlimited free delivery for a year for new users. ➔ Strong focus on supporting small and medium local restaurants. 	Seed + Acquisition by Delivery Hero \$187k (Angel) + \$327m (Acquisition) (Key investors: Oqal, Delivery Hero, FoodPanda)
	2015	<ul style="list-style-type: none"> ➔ Mrsool is known for its "deliver anything" model, from food and groceries to gas and car parts ➔ Flexible Ordering: Users can request pickups from any store, not limited to listed merchants. ➔ In-App Chat & Price Negotiation: Customers and couriers communicate directly and agree on delivery fees. ➔ Real-Time Tracking: Live courier location and delivery updates via integrated maps. ➔ Multiple Payment Options: Cash, card, Apple Pay, and wallets supported. ➔ Quick Payouts: Couriers receive earnings instantly after delivery. ➔ Large Courier Base: Over 200,000 drivers across the Kingdom. ➔ Instant Reordering: Saved past orders for one-tap repeat deliveries. 	Series A Undisclosed Amount (Key investors: Raed Ventures, STV, Endeavour, Mazen Al Jubei)
	2016	<ul style="list-style-type: none"> ➔ Launched in 2016, now the most popular food delivery app in Saudi Arabia. ➔ Connects customers with 1,500+ restaurants; serves over 54 cities. ➔ Features include a sleek mobile app, real-time order tracking, estimated delivery times, and a user-friendly interface. 	Listed \$2.4b Market Cap during IPO (Key investors: Impact46, Alamat International Co.)

		<ul style="list-style-type: none"> ➔ Jahez Plus: premium subscription with exclusive offers and free delivery. ➔ Business Jahez: tailored for corporate clients. ➔ Fast delivery (average 30 minutes), wide coverage, and continuous tech innovation. 	
	2019	<ul style="list-style-type: none"> ➔ Smart locker access points for parcel collection ➔ Allows users to receive parcels in lockers ➔ Drivers can deposit parcels in designated lockers ➔ Users can collect parcels using a PIN sent via SMS ➔ Platform can be integrated with various e-commerce sites 	<p>Series A \$12m raised (Key investors: raf-investments.com, Vision Ventures, Mad'a Investment, Jahez)</p>
	2016	<ul style="list-style-type: none"> ➔ Operates micro-fulfilment centers to deliver groceries in as little as 15 minutes. ➔ Uses AI for real-time stock accuracy and demand forecasting. ➔ Offers tailored product recommendations and promotions through its app. ➔ Digitizes and integrates local grocery stores into its delivery network. 	<p>Series C \$208m raised (Key investors: Kingdom Holding Company, Uni-Ventures, FIM Partners, STV, Faith Capital, Middle East Venture Partners, Impact46)</p>
	2019	<ul style="list-style-type: none"> ➔ Last-mile delivery services ➔ Provides on-demand delivery for e-commerce and retail ➔ Offers real-time tracking for users ➔ Integrates with various e-commerce platforms 	<p>Series A \$10m raised (Key investors: Oman Tech Fund, Jahez, Salica Investments)</p>
	2016	<ul style="list-style-type: none"> ➔ Specializes in last-mile delivery and crowdsourced delivery models. ➔ Connects freelance drivers with merchants for on-demand, flexible delivery. ➔ Known for supporting e-commerce and small businesses with scalable logistics. 	<p>Series A \$2.4 million raised (Key investors: Abunayyan Holding, Tasheel, BIAC)</p>
	2017	<ul style="list-style-type: none"> ➔ Provides e-commerce logistics and fulfilment services. ➔ Focuses on same-day and next-day delivery, warehousing, and order management for online retailers. ➔ Offers tech-driven solutions for inventory and last-mile optimization. 	-

	2021	<ul style="list-style-type: none"> ➔ Quick commerce platform launched in 2021 under Jahez Group. ➔ Delivers a wide range of products (clothing, cosmetics, electronics, etc.) within 1–2 hours. ➔ Empowers local merchants with searchable product categories, seamless e-payments, and dedicated support. 	Jahez's subsidiary
	2021	<ul style="list-style-type: none"> ➔ Jahez Group's wholly owned logistics subsidiary ➔ Specializes in last-mile delivery ➔ Uses both freelancers and permanent drivers ➔ Supports B2B/B2C logistics, fulfilment, and last-mile delivery for Jahez's brands (initially) and external partners, leveraging Jahez's established network and technology stack. ➔ Offers 24/7 availability, rapid delivery times and multiple pickup options and comprehensive delivery tracking. 	Jahez's subsidiary
	2023	<ul style="list-style-type: none"> ➔ Focuses on cross-border and domestic e-commerce logistics. ➔ Provides parcel delivery, fulfilment, and order management for online retailers. ➔ Supports integration with global e-commerce platforms. 	<p>Seed \$2.1 million raised (Key investors: Seedra Ventures, Nama Ventures)</p>

Source: Company's websites, Crunchbase, Wamda, Tracxn, TechCrunch, Arab News, Forbes, MENAbytes, Jawal

Saudi Arabia's start-up landscape in micro-logistics has evolved significantly over the years, moving beyond basic delivery functions to become a cornerstone of the Kingdom's urban commerce ecosystem. Initially, the logistics start-ups offered limited B2C services, even lacked scalability and integration with broader retail infrastructure. In contrast, today's micro-logistics start-ups, such as Redbox, Mrsool, Jahez, Nana, and Barq, are reshaping the last-mile landscape with innovative, tech-first approaches. These firms operate dark stores, have AI-powered route optimization systems, integrate real-time tracking and digital payments, and even use decentralized networks of local stores and smart lockers for efficient fulfilment. These shifts are a direct result of addressing the growing demand for instant or same-day delivery, particularly in the grocery, food, and retail sectors. Backed by strong investor interest and government backing through Vision 2030, these start-ups are not just logistics players anymore, they are building the next-generation infrastructure for fast, localized, and scalable urban delivery across Saudi Arabian cities.

Spotlight – Barq Logistics



“Barq Al-Mumayazah Logistics” is one of Riyadh Valley Company’s investments through the Oryx Fund. It is a Saudi startup specializing in the Delivery-as-a-Service (DaaS) model and has quickly emerged as a leading company in the logistics and last-mile delivery sector within Saudi Arabia.

About the Company:

Barq Logistics, founded in 2020 by Abdullah Al Shalhoub and Ahmad Habbal, specializes in providing fast, reliable, and technology-driven delivery solutions for a wide range of sectors, including e-commerce, food delivery, and e-groceries. The company is headquartered in Riyadh and positions itself as a one-stop shop for all e-commerce and delivery needs. The company gained traction by focusing on “bullet delivery”—a model that emphasizes on quick and on-demand delivery services for merchants and consumers alike, leveraging state-of-the-art delivery technologies to offer services ranging from ultra-fast (within 15 minutes) to same-day delivery.

Barq converts retail outlets into MFCs/dispatching hubs making delivery faster & easier. Once a customer places an order through the business platform, order gets fulfilled by the closest retail outlet and delivered to the customer once ready for pick up.

Barq also serves warehouses and MFCs with several delivery options, 4 hours up to same day or next day, depending on the business’ need. Restaurants and food aggregators receive 30-45 minute delivery service by paying only the delivery fee.

Services Provided:

Barq offers a comprehensive suite of delivery and logistics solutions, tailored to meet the diverse needs of modern merchants and consumers:

BARQ

Delivery within
1 - 2 hours
Covering a 5 km
radius from order
pickup

BULLET

Delivery within
2 - 4 hours
Within city limit

Conclusion

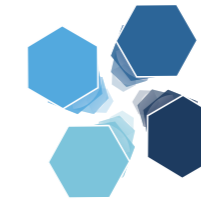
Micro-logistics has become a linchpin of modern supply chains, fundamentally transforming how goods move from producers to consumers in an increasingly digital, urbanized and convenience-seeking world. The evolution of micro-logistics, through the adoption of MFCs, WaaS and advanced digital technologies, has enabled businesses to meet the rising demands of e-commerce, quick commerce and on-demand services.

Globally, the micro-logistics industry is experiencing robust growth, with companies investing heavily in automation, AI-driven optimization and sustainable practices. These investments are expected to be fruitful as global last-mile delivery market and micro-fulfilment markets are said to grow at CAGR 10.5% and 34.83% in the period between 2025 and 2034.¹² The rise of outsourcing logistics to specialized third-party providers (3PLs) has further accelerated operational agility and cost efficiencies, allowing businesses to focus on core competencies while leveraging the expertise and infrastructure of logistics partners.

In the GCC region, micro-logistics is not just a response to e-commerce growth but a strategic component of long-term economic transformation. Countries like the UAE, Bahrain, and Qatar are actively developing smart logistics zones, investing in last-mile innovation, and enabling urban logistics through public-private partnerships. This is evident from their high rankings in World Bank’s LPI.¹³ The region’s young, connected population and high urbanization rates have made it a fertile ground for the rise of food delivery apps, rapid grocery platforms, and on-demand services. Governments are embedding logistics innovation into national visions, creating infrastructure and regulatory ecosystems to support the growth of micro-logistics as a regional differentiator.

Saudi Arabia is at the forefront of this transformation. With bold ambitions under Vision 2030 to become a global logistics hub, the Kingdom is investing over \$260 billion¹⁴ in transport and logistics infrastructure, while simultaneously working to strengthen a vibrant local delivery and order fulfillment ecosystem. Startups are leveraging dark stores, real-time inventory systems, and AI technologies to optimize delivery routes, transforming delivery services from a mere commodity into a competitive advantage. With 90% digital shopping penetration, high urban population growth, government support for technology-driven logistics, and rapid adoption of active quick commerce, the Kingdom is uniquely positioned to lead the region in developing small, smart, scalable, and sustainable logistics models.

¹² imarc¹³ World Bank¹⁴ Arab News, Zawya



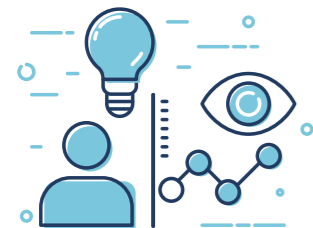
شركة وادي الرياض
Riyadh Valley Co

Riyadh Valley Company

Riyadh Valley Company established in 2010 by Royal Decree No.116 dated 13/4/1431 AH to be the investment arm of King Saud University in the fields of Knowledge Economy and the university strategic projects.



شركة وادي الرياض
riyadh valley co



Vision

To be the regional leader in knowledge-based investment and technology.



Mission

Riyadh Valley Company is a strategic investor, focused on leveraging the local capabilities, investing locally and globally in growth - stage businesses to create financial and strategic returns that will support the future of economic development in the Kingdom.

The Core Focus Areas of RVC

Venture Capital Investments



Healthcare Investment



FinTech



Renewable energy & Sustainable Resources



Education



Information & Communication Technology



Logistics and Transportation

Strategic Investments



Innovation and R&D Projects



Commercial Projects



Educational Projects



Residential Projects



Healthcare Projects



Mixed-use Projects

Enriching Innovation Ecosystem



Attract distinguished scientists and consultants



Prepare students for work experience through training



Supporting Scientific Research and technology industry



Enhance the environment to support the knowledge economy

Strategic Investment Portfolio



Sudair Pharma Company Project

Research center and offices



ELM Information Security Company Project

Research & Innovation center



Four Directions Company Project

Office project



Majd Real Estate Company Project

Offices project



Derma Clinic Company Project

Residential project



City Lights Real Estate Company Project

Mixed-use project



Qasr Alaaredh Company Project

Building



Sahat Al-Ardh Company Project

Mixed-use project



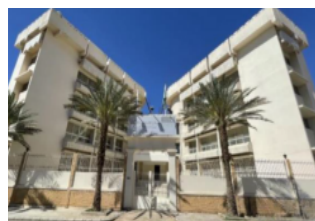
NMR Real Estate Company Project

Mixed-use project



Takween Altanmia Company Project

Offices project



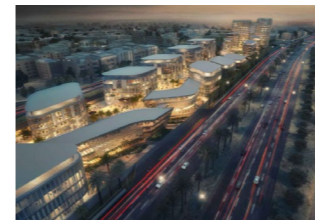
Commission for AIUla Building

Building



Oasis of Creativity Schools

Educational project



Al-soroooh Al-Mubarakah Company Project

Offices project



Obeikan Company Project

Commercial project



Derma Clinic Company Project

Healthcare project



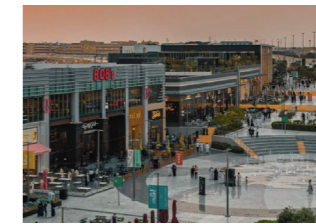
Dur Alkuttab Company Project

Educational project



Four Directions Company Project

Commercial project



U WALK Project

Commercial project



The Esplanade Project

Commercial project



Al Maarefa University and Diabetes Research Center

Building project



Arrowad Education Company Project

Educational project



Innovation Tower Project

Office building project



شركة وادي الرياض
Riyadh Valley Co

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