

Turkish Startup Ecosystem

2025 Q1 REPORT

APRIL 8, 2024

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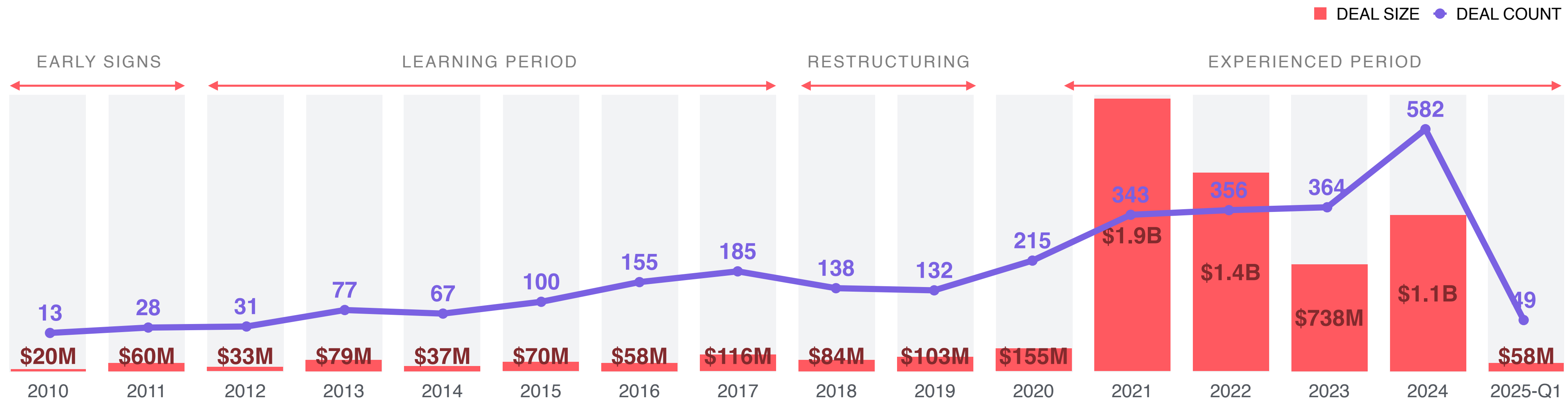
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- Historical funding data is subject to change as our team explore new data.
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METHODOLOGY & DATA

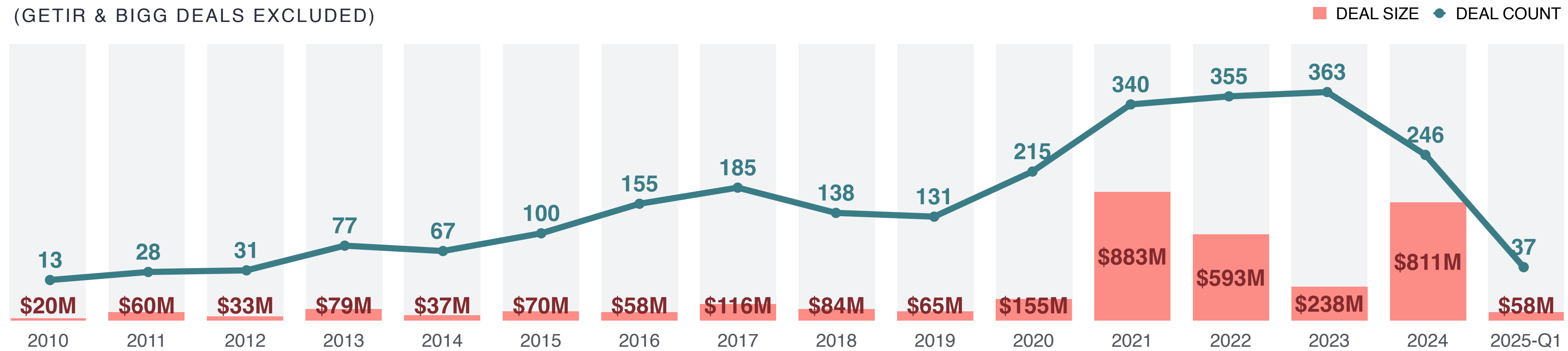
- Only verifiable fundings are included. Fundings are verified via Chamber of Commerce, direct confirmation with startup or investor, or press release.
- If a funding is directly or indirectly listed in Chamber of Commerce data, then it's added to Turkish funding data, regardless of where they are currently registered.
- Buyouts, M&A and secondary transactions are treated as exits and excluded from funding data.
- If there is a tranching investment, only the amount shown in the chamber of commerce is taken into account.
- Categories (Tags) are not mutually exclusive.
- WHAT IS INCLUDED : Fundings of private companies, angel rounds, seed rounds, series A, B, C... rounds.
- WHAT IS EXCLUDED: Funding rounds raised by public companies, debt/loans, secondary transactions, grants, ICOs, non-equity rounds.
- If you are not familiar with the terms used in our platform, check our blog post : <https://blog.startups.watch/definitions-433856df8d17>
- Please send an email to support@startups.watch and we can work together to ensure your firm's investment data is up to date.

- In the first quarter of 2025, **\$58 million** were invested in **49** investment rounds.
- Q1 2025 was **the worst quarter** for the number of investments since early 2023. In terms of investment amount, it was the second worst quarter after Q4 2023.
- Problems in transition from seed to Series A, B in Türkiye continued in the first quarter of 2025.
- **Gaming** and **fintech** verticals led investment activity in the first quarter.
- No new corporate venture capital (CVC) funds were established or announced in Q1 2025, keeping the total number unchanged at **92**.
- In the first quarter of 2025, **26** VCIFs (GSYF) were authorized, bringing the total to **481** — or **462** when excluding those that have been closed.
- The number of successful crowdfunding campaigns continued to decline, with only **4** successful campaigns completed in the first quarter of 2025.
- Since 2020, **430** VCIFs (GSYF) have been launched with the aim of establishing funds totaling **\$1.1 billion**. In the same period, **54** traditional VC funds have targeted a combined fund size of **\$1.4 billion**.
- Laboratoires Vivacy's acquisition of **Burgeon**, a **DCP** portfolio company. This deal represents a "**dragon exit**" for DCP and marks the first instance in Türkiye where a deeptech fund has achieved a full fund-returning exit.

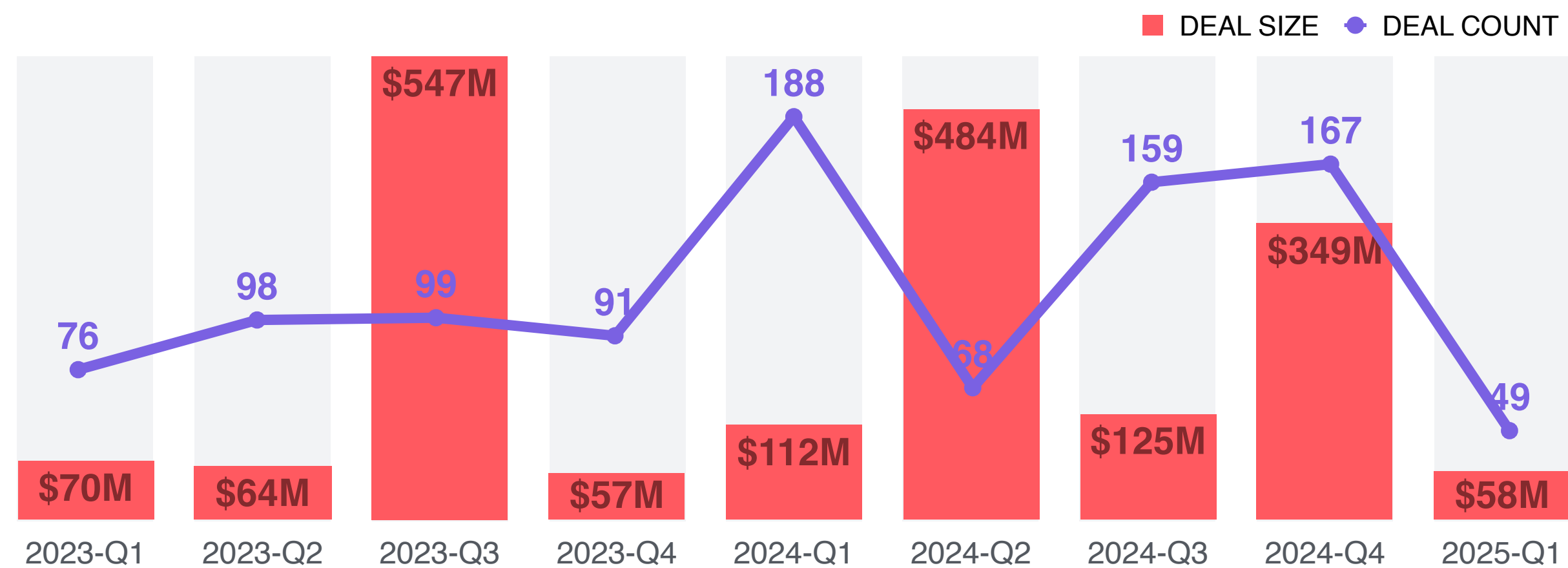
YEARLY ANGEL & VC DEALS IN TÜRKİYE



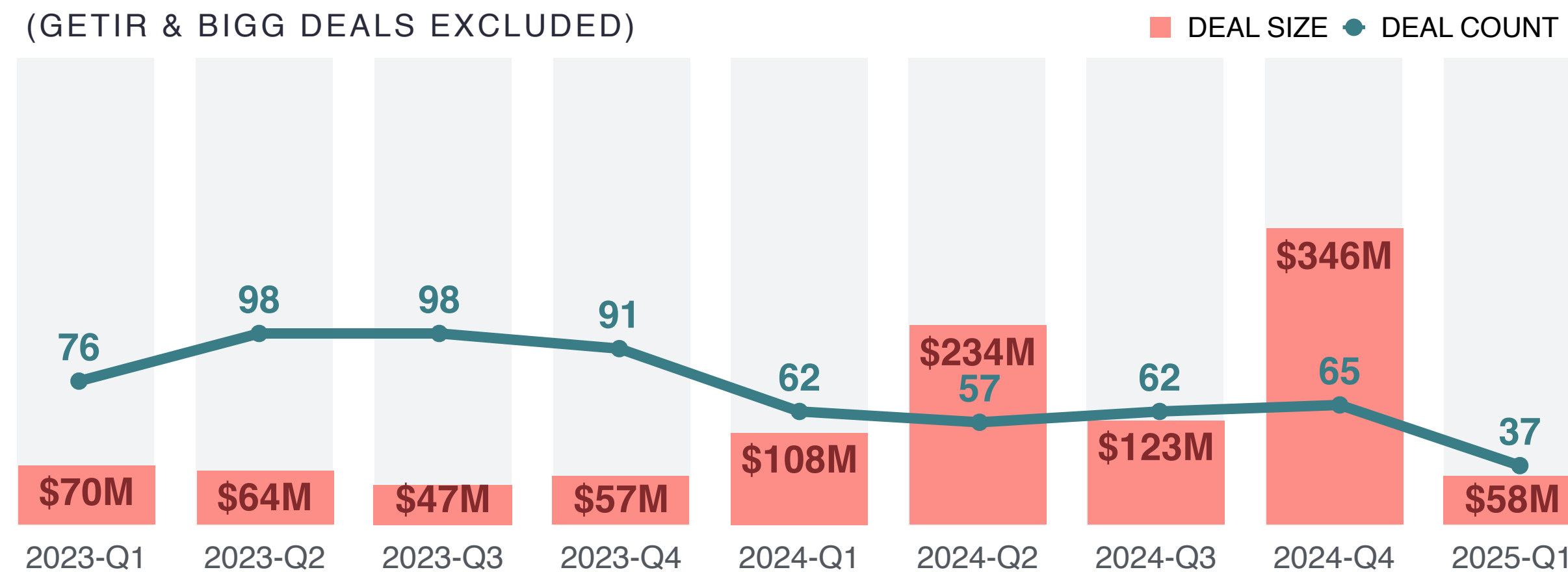
(GETIR & BIGG DEALS EXCLUDED)



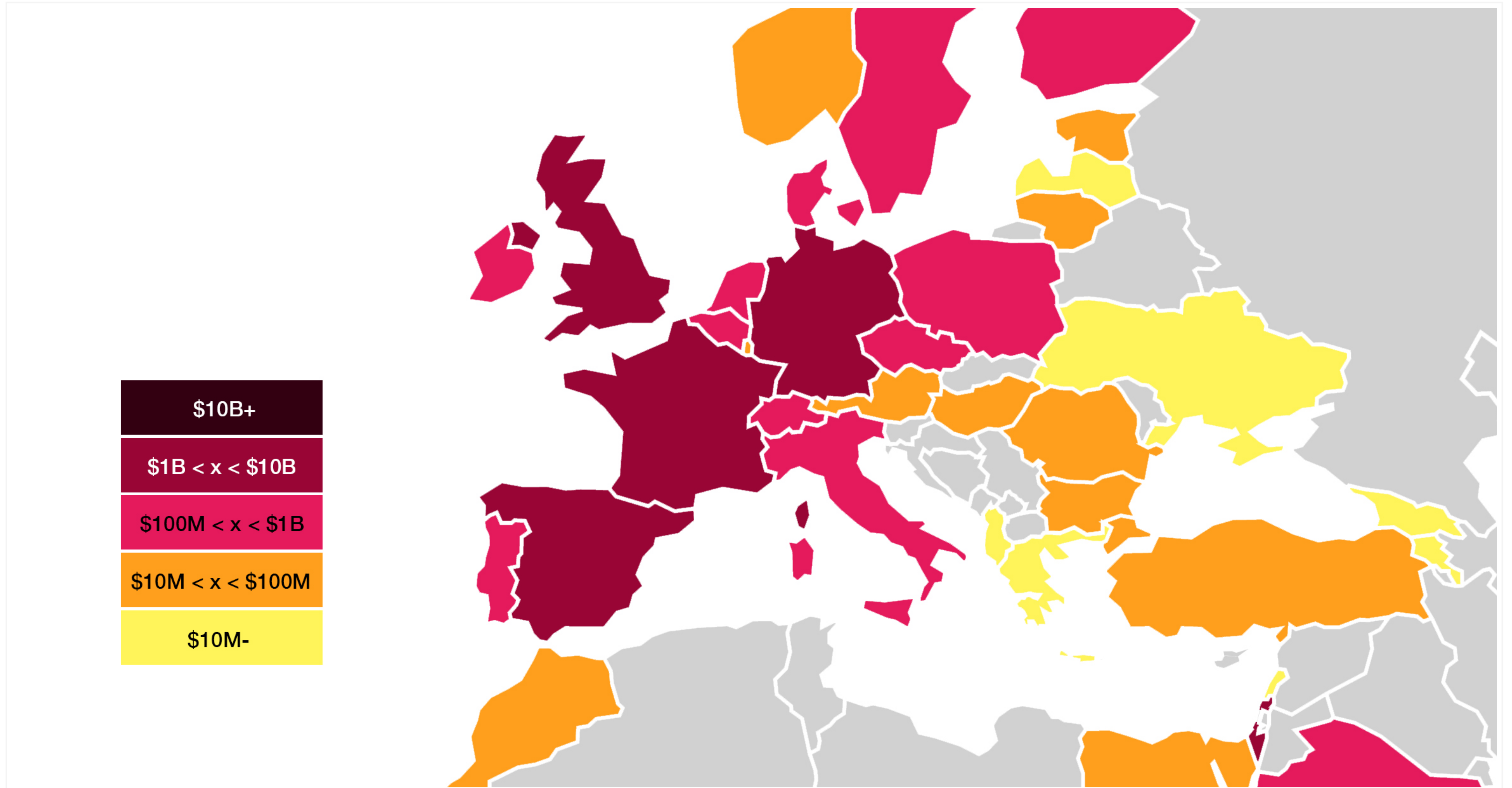
QUARTERLY ANGEL & VC DEALS IN TÜRKİYE



(GETIR & BIGG DEALS EXCLUDED)



- Including the investments received by 12 BiGG startups in the first quarter of 2025, 58 million dollars were invested in 49 investment rounds.
- Q1 2025 was the worst quarter for the number of investments since early 2023. In terms of investment amount, it was the second worst quarter after Q4 2023.
- The bad first quarter of 2025 may also be due to the Ramadan feast at the end of March and the investments made in the first quarter but not yet announced. We will see this more clearly in the next quarterly report.







Notes : Only disclosed equity fundings are counted. Non-equity, secondary and post-IPO transactions, grants and convertible debts are excluded. Source : Crunchbase & Startups.watch & Public Sources












Champions League











Super League

1. League

2. League

	United Kingdom	\$5.3B	(350)
	Malta	\$2B	(2)
	Germany	\$1.6B	(164)
	Spain	\$1.4B	(93)
	France	\$1.3B	(149)

	Sweden	\$953M	(44)
	Switzerland	\$918M	(65)
	Ireland	\$667M	(33)
	The Netherlands	\$414M	(73)
	Italy	\$358M	(65)
	Belgium	\$240M	(31)
	Poland	\$224M	(20)
	Denmark	\$218M	(39)
	Portugal	\$171M	(7)
	Finland	\$161M	(27)
	Czechia	\$124M	(11)

	Estonia	\$96M	(18)
	Romania	\$72M	(7)
	Austria	\$68M	(23)
	Türkiye	\$58M	(49)
	Lithuania	\$48M	(9)
	Norway	\$35M	(15)
	Iceland	\$29M	(2)
	Bulgaria	\$25M	(3)
	Luxembourg	\$21M	(5)
	Hungary	\$11M	(4)

Champions League

Super League

1. League

2. League

	Israel	\$1.1B	(67)
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	Bahrain	\$382M	(4)
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	United Arap E.	\$300M	(40)
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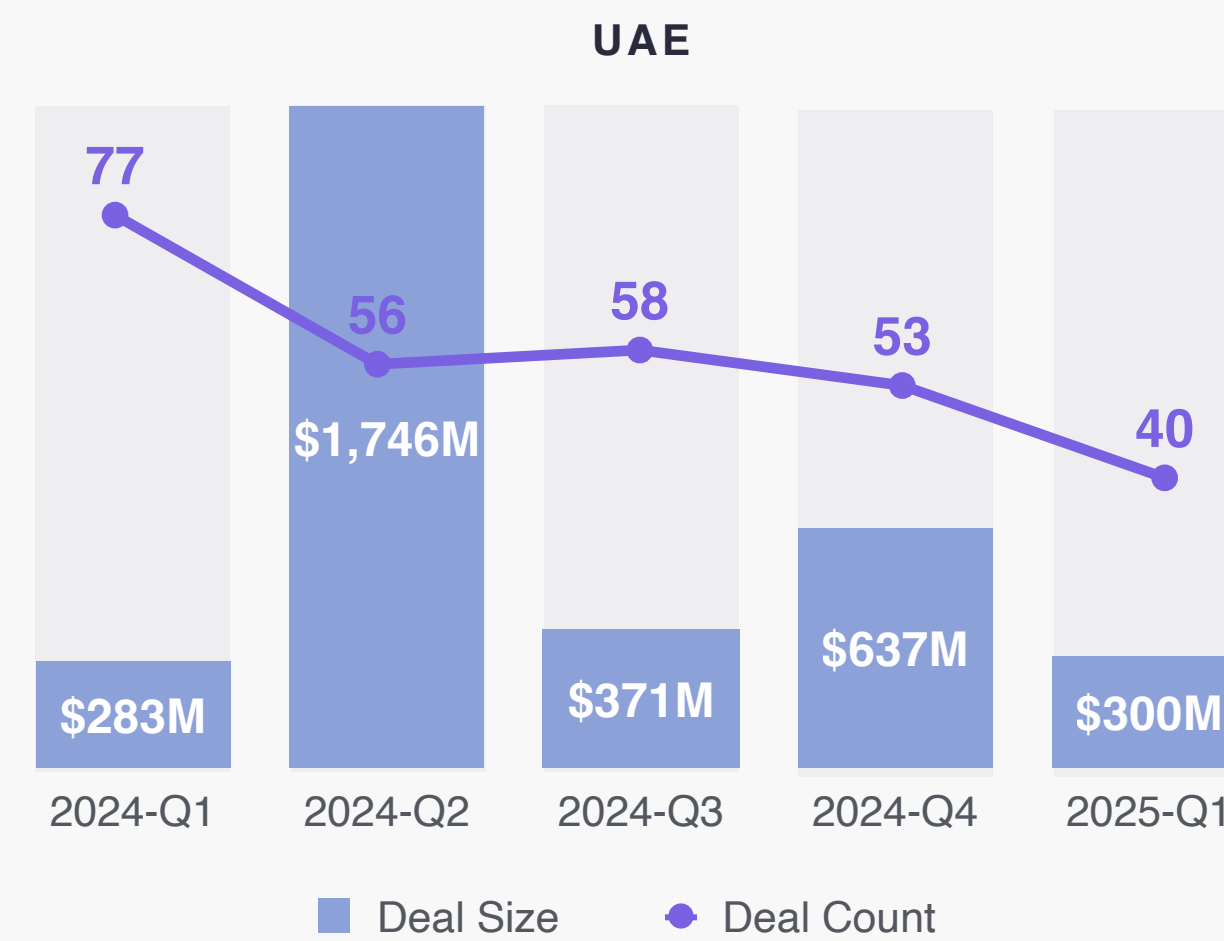
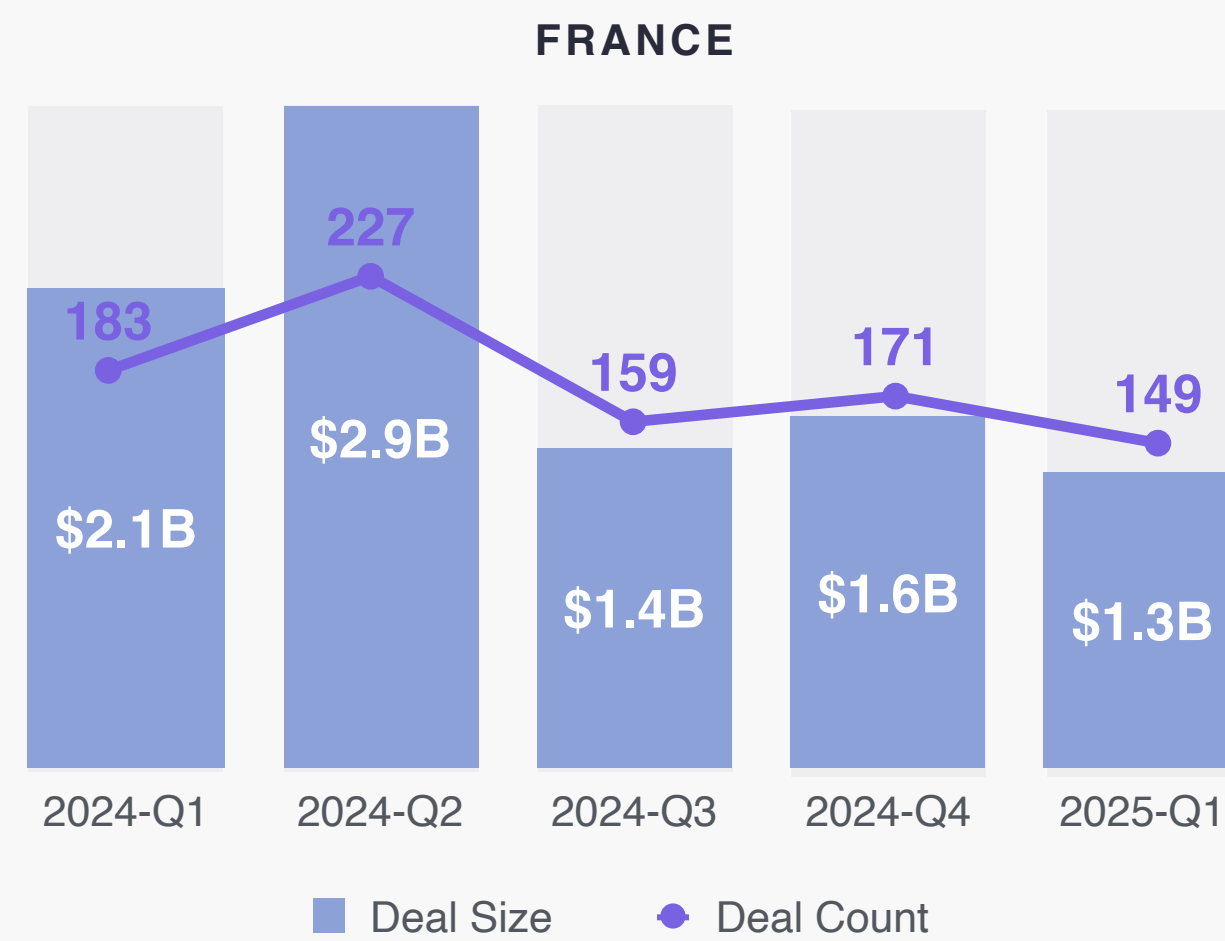
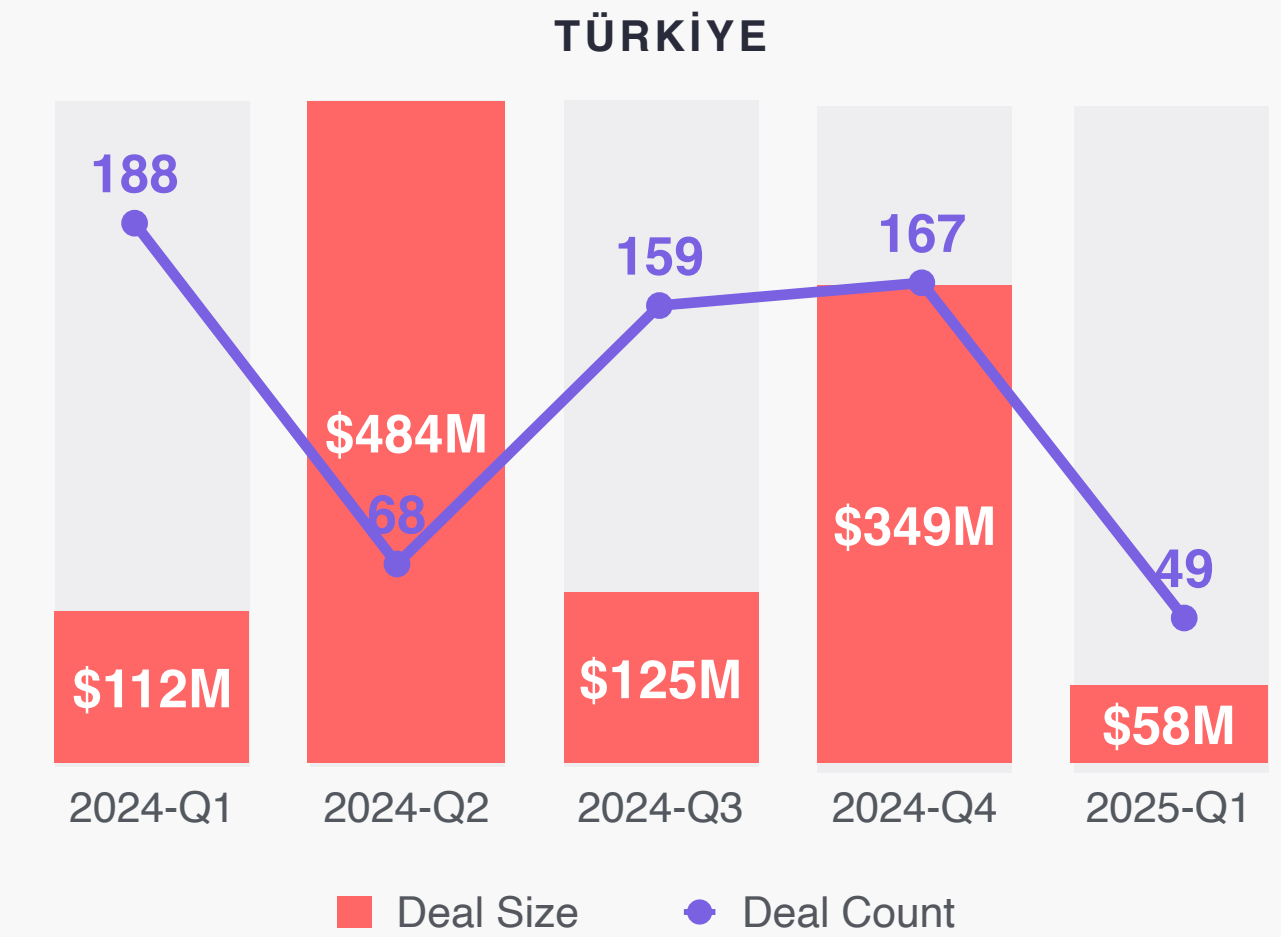
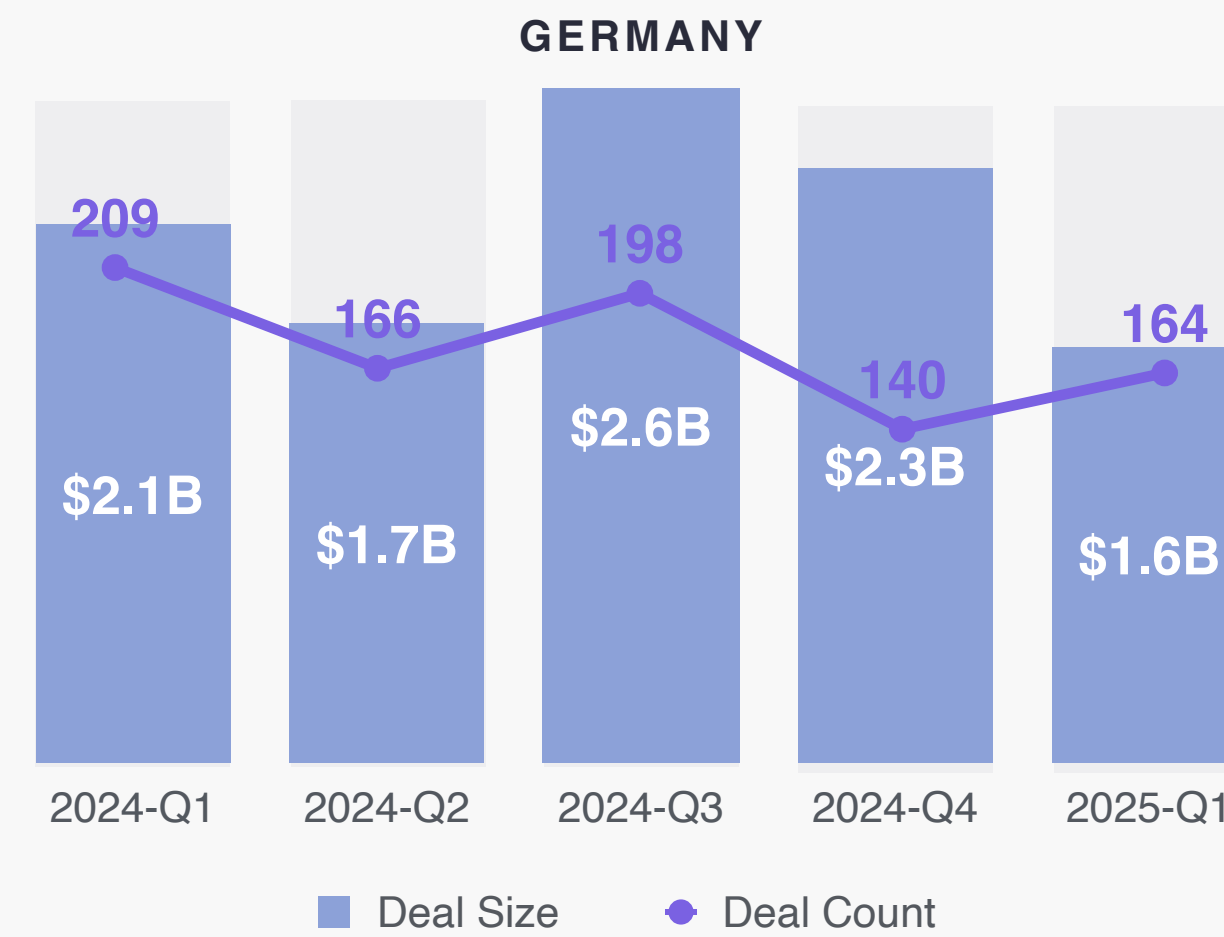
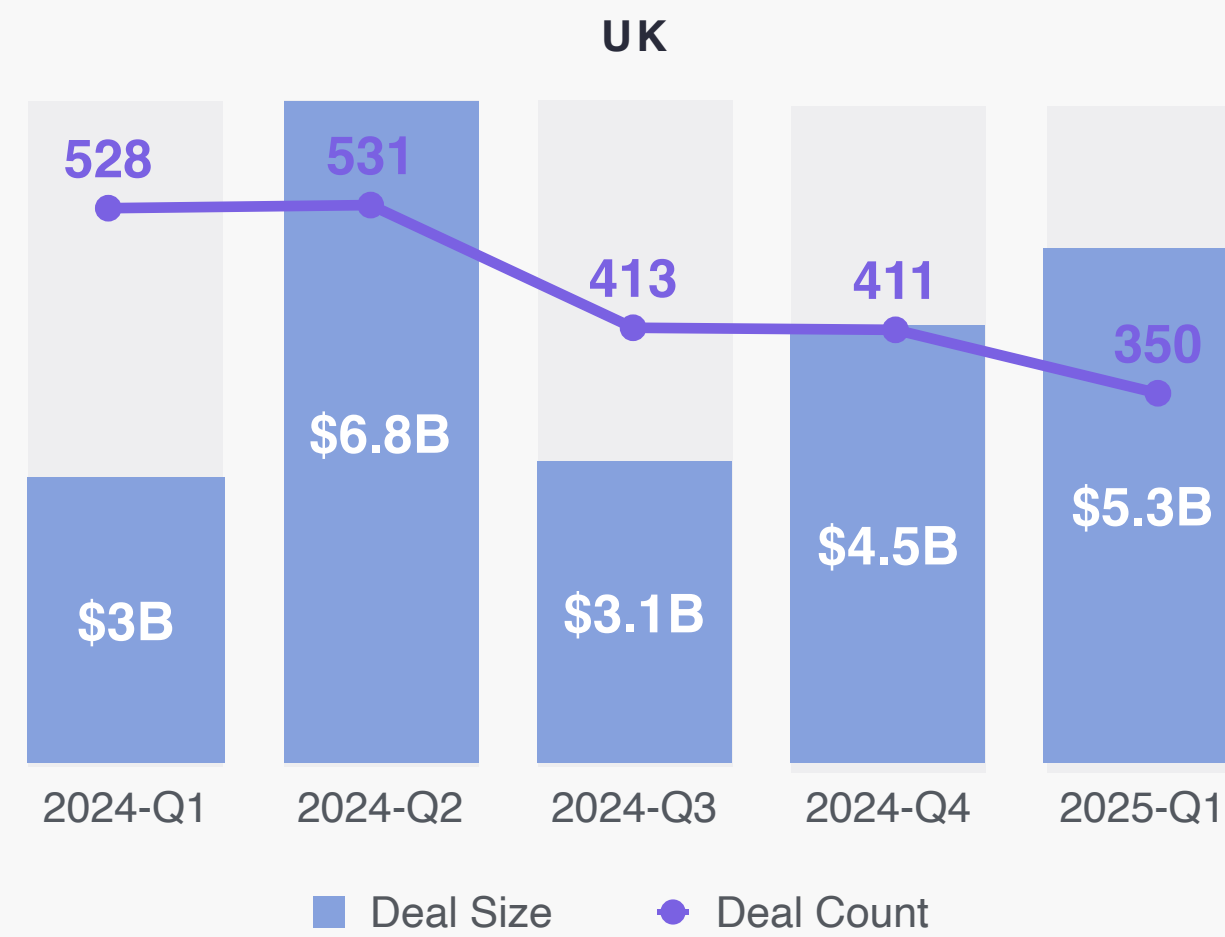
	Saudi Arabia	\$287M	(31)
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	Türkiye	\$58M	(49)
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	Egypt	\$42M	(14)
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	Morocco	\$22M	(5)
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COUNTRY COMPARISON



- Since Insider and Getir investments in terms of deal size and BiGG investments in terms of deal count have a significant impact on the graphs, even in the table formed when we remove them, there is a decrease of **~40%** in the first quarter of 2025 compared to the previous quarter, both in deal count and deal size.

TÜRKİYE QUARTERLY DEAL (\$) ACTIVITY BY STAGES

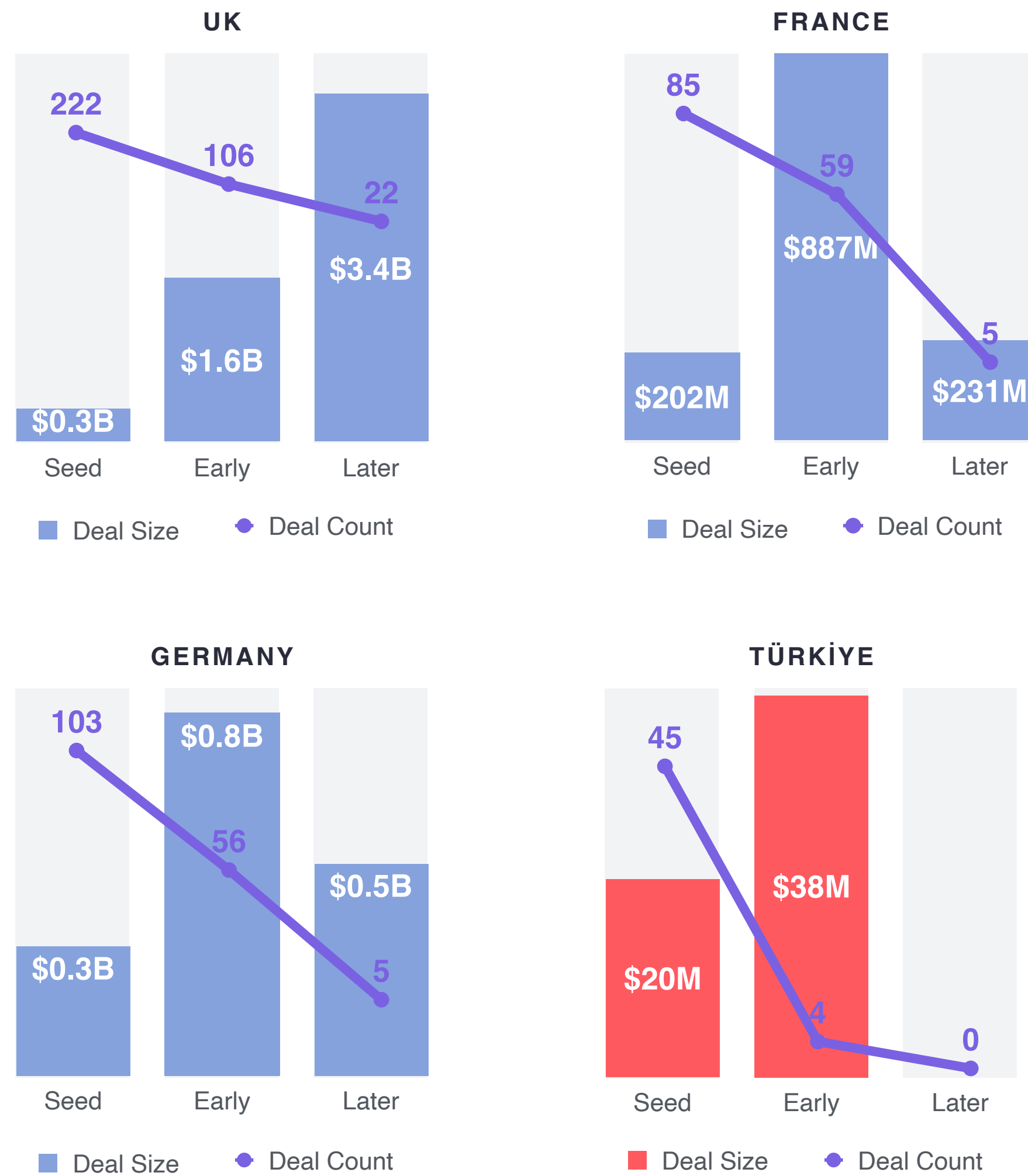
STAGES	2024-Q1	2024-Q2	2024-Q3	2024-Q4	2025-Q1
Seed Stage (\$)	40M	31M	49M	35M	20M
<i>YoY Growth</i>		-22%	56%	-27%	-44%
Early VC Stage (\$)	72M	203M	32M	64M	38M
<i>YoY Growth</i>		182%	-84%	101%	-40%
Later VC Stage (\$)	0M	250M	45M	250M	0M
<i>YoY Growth</i>			-82%	456%	-100%

TÜRKİYE QUARTERLY DEAL (#) ACTIVITY BY STAGES

STAGES	2024-Q1	2024-Q2	2024-Q3	2024-Q4	2025-Q1
Seed Stage (#)	185 <small>BiGG:126</small>	59 <small>BiGG:10</small>	156 <small>BiGG:97</small>	161 <small>BiGG:102</small>	45 <small>BiGG:12</small>
<i>YoY Growth</i>		-68%	164%	3%	-72%
Early VC Stage (#)	3	8	2	5	4
<i>YoY Growth</i>		167%	-75%	150%	-20%
Later VC Stage (#)	0	1	1	1	0
<i>YoY Growth</i>			0%	0%	-100%

- Especially when TÜBİTAK BiGG Fund started to make over 300 pre-seed investments every year, all the numbers in the seed stage skyrocketed.
- The main problem of Türkiye's startup ecosystem, the Series A crunch and the difficulty of raising even 1 investment per quarter at later stage, is still in place.
- Despite this stagnation, the large-scale investments received by many fintech and gaming startups in 2024 are expected to continue with a similar trend starting from the second quarter of this year.

TÜRKİYE YEARLY DEAL ACTIVITY BY STAGES (2025-Q1)



- Problems in transition from seed to Series A, B in Türkiye continued in the first quarter of 2025.
- If we consider the fact that entrepreneurs relocate their startups after Series B, we can better understand the lack of investment in some quarters in the later stage.
- If we can solve the problems of the startups and investors for Series A, B, it will automatically lift the Series C and subsequent rounds in the coming years.
- It is also important to recognize that the average seed investment in Türkiye is less than half of that in Europe, which means that startups will not be able to fuel their way to Series A.

TOP 10 FUNDED VERTICALS QUARTERLY (DEAL SIZE)

	2024-Q1	2024-Q2	2024-Q3	2024-Q4	2025-Q1
Gaming	\$3.9M	\$53.6M	\$16.5M	\$54.5M	\$26M
Fintech	\$54.1M	\$127.7M	\$6.1M	\$8.3M	\$18.1M
Artificial intelligence	\$3.7M	\$7.2M	\$5.5M	\$263.6M	\$6.1M
SaaS	\$23.7M	\$3.4M	\$6.4M	\$255M	\$3.5M
Autotech	\$0.5M	\$0.3M	\$26.8M	\$0.4M	\$3M
Restaurant	\$0M	\$0M	\$1M	\$5.4M	\$2M
Blockchain	\$2.9M	\$65M	\$0.6M	\$14M	\$1.9M
Marketplace	\$7.7M	\$0.3M	\$0.5M	\$0.2M	\$1.9M
Travel	\$1.2M	\$0.1M	\$0.1M	\$0M	\$1.9M
Mobility	\$0.1M	\$0.3M	\$4.8M	\$0.2M	\$1.6M

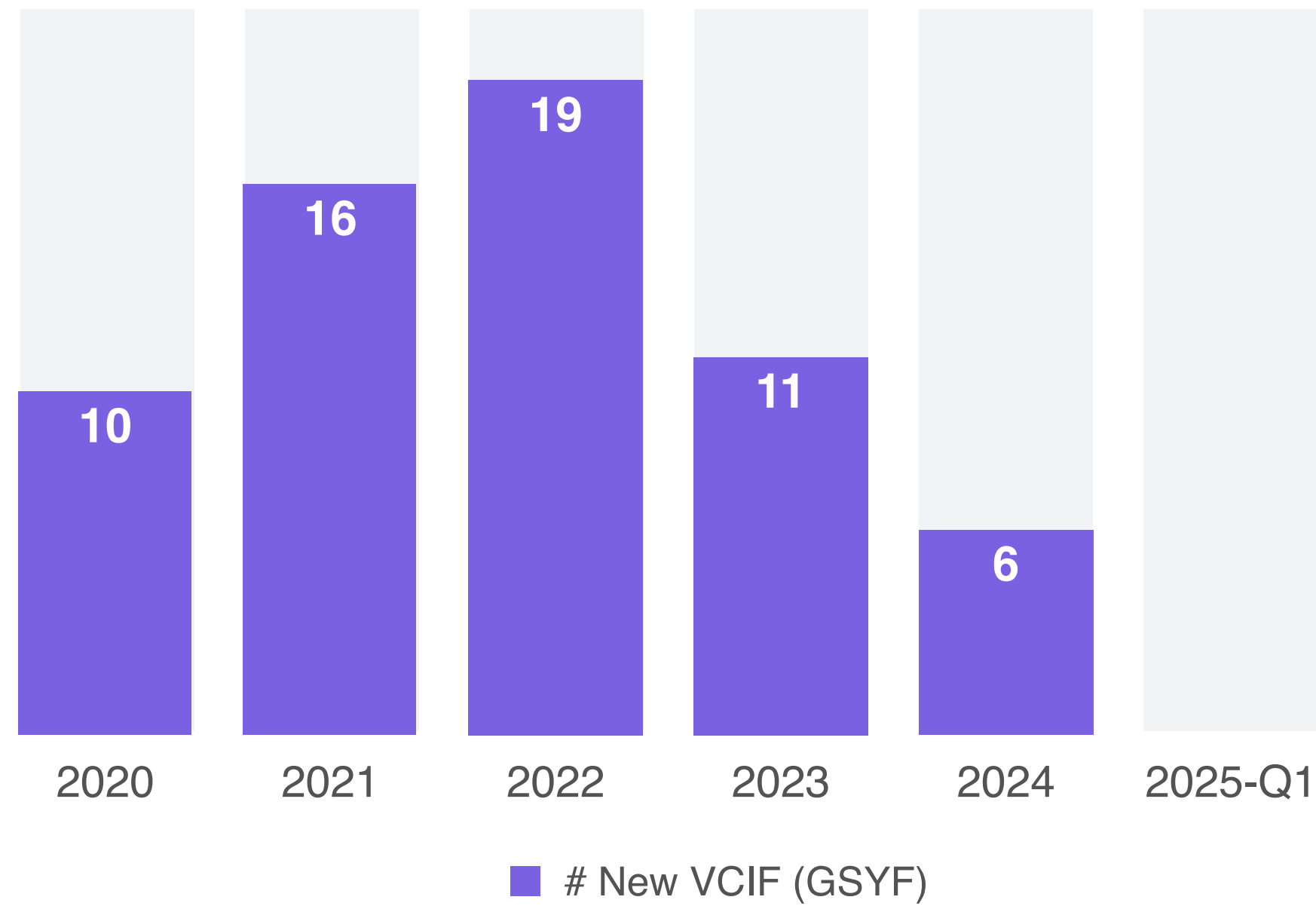
- Gaming and fintech verticals led investment activity in the first quarter. Good Job Games significantly influenced gaming investment trends, while Fimple played a key role in shaping fintech investment momentum.
- Although investment in AI startups may appear modest, it can be seen as the planting of many seeds for future growth.

TOP 10 FUNDED VERTICALS IN 2024 (DEAL COUNT)

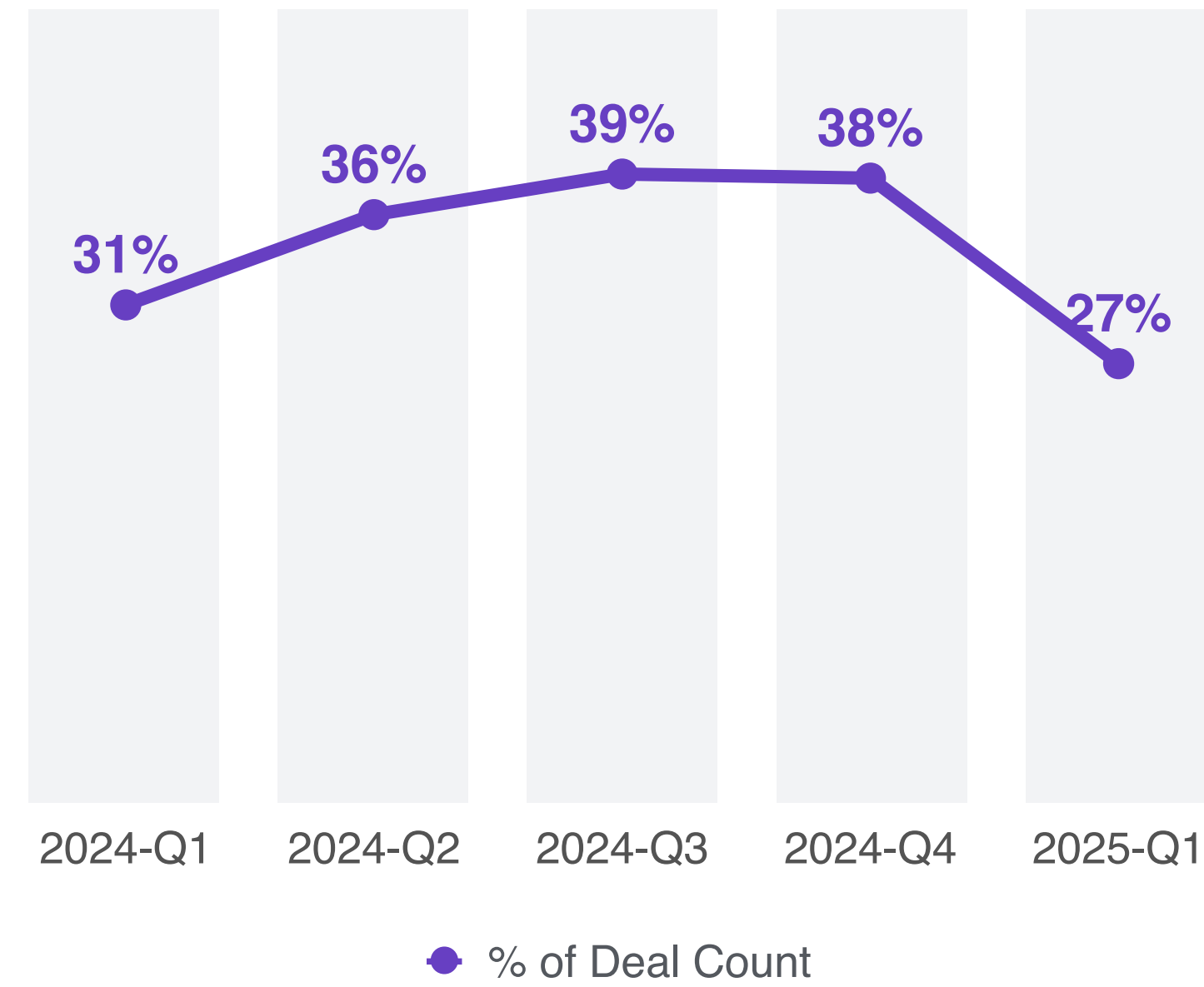
	2024-Q1	2024-Q2	2024-Q3	2024-Q4	2025-Q1
Artificial intelligence	22 <small>BiGG:14</small>	14 <small>BiGG:3</small>	28 <small>BiGG:14</small>	39 <small>BiGG:21</small>	13 <small>BiGG:5</small>
Fintech	7	7	9 <small>BiGG:4</small>	9	9 <small>BiGG:1</small>
Autotech	5 <small>BiGG:4</small>	1	4 <small>BiGG:1</small>	3 <small>BiGG:1</small>	6
Gaming	8 <small>BiGG:1</small>	3	6 <small>BiGG:2</small>	9 <small>BiGG:4</small>	5 <small>BiGG:1</small>
Healthtech	24 <small>BiGG:21</small>	1	16 <small>BiGG:13</small>	18 <small>BiGG:15</small>	4 <small>BiGG:1</small>
Mobility	3 <small>BiGG:3</small>	1	5	4 <small>BiGG:2</small>	4
SaaS	8	8	9 <small>BiGG:3</small>	13 <small>BiGG:3</small>	3
Sustainability	11 <small>BiGG:7</small>	6 <small>BiGG:1</small>	9 <small>BiGG:7</small>	12 <small>BiGG:9</small>	2
Electronics	12 <small>BiGG:12</small>	2 <small>BiGG:1</small>	3 <small>BiGG:3</small>	1	2
Hrtech	4	4	5	2	2

- TÜBİTAK BiGG Fund investments have contributed to **AI**, **healthtech**, **sustainability**, and **electronics** ranking among the top 10 most-funded verticals since the beginning of 2024. Of the **13 AI** investments made in the first quarter of 2025, **5** were pre-seed investments backed by this fund.

NEW CVCS ESTABLISHED BY YEAR

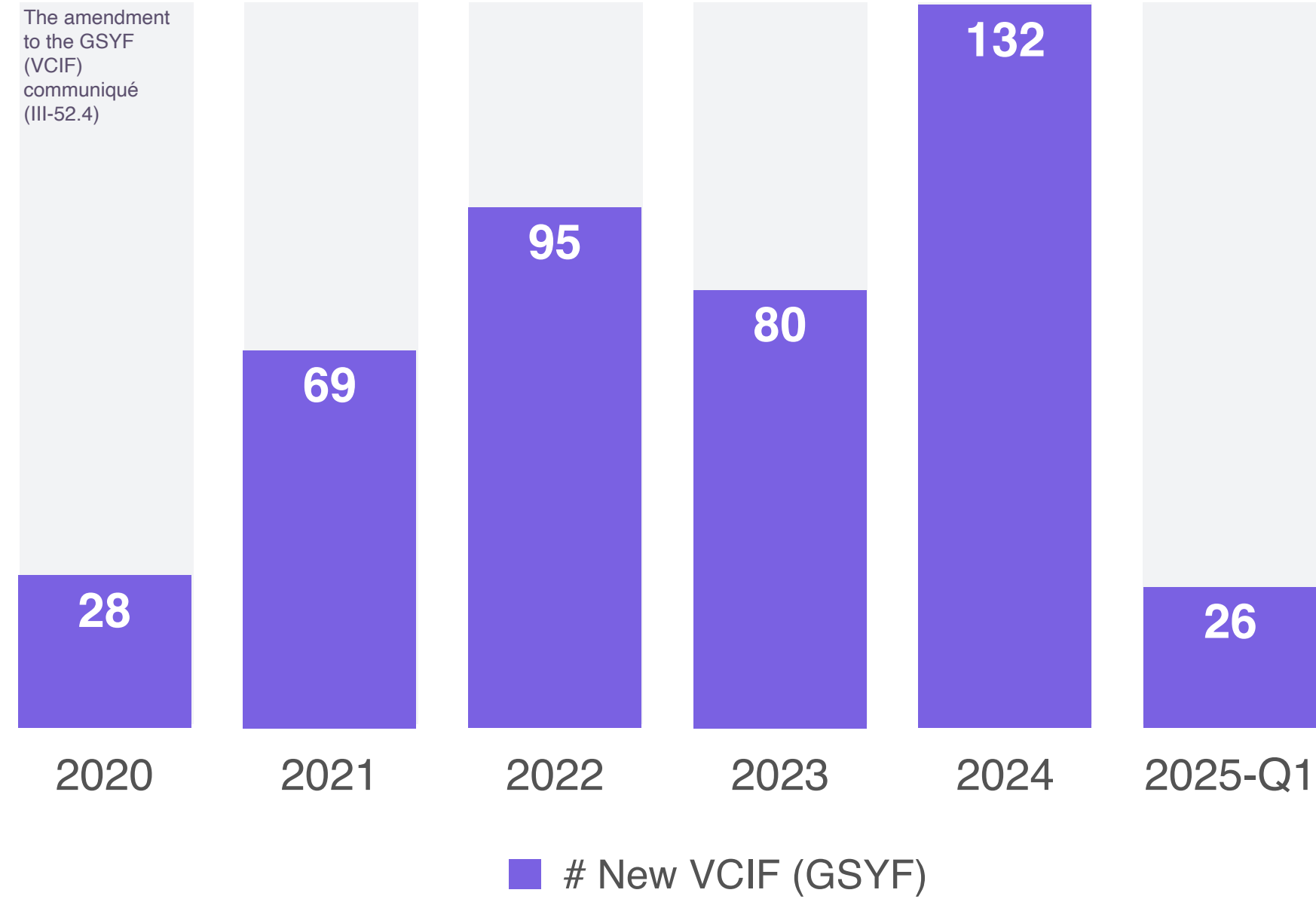


TÜRKİYE VC DEAL ACTIVITY WITH CVC+CORPORATE PARTICIPATION (BIGG DEALS EXCLUDED)

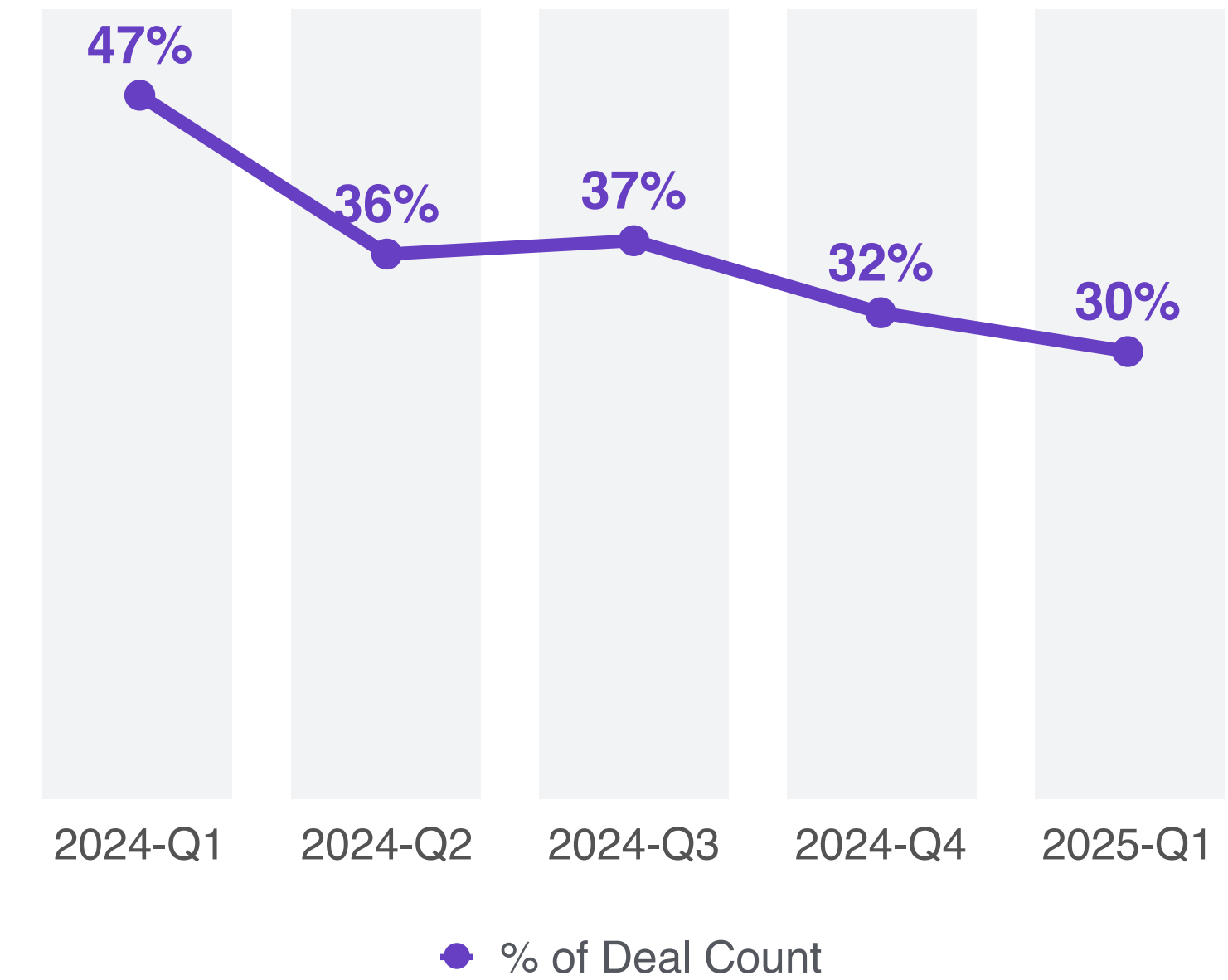


- No new corporate venture capital (CVC) funds were established or announced in Q1 2025, keeping the total number unchanged at **92**.
- CVC and corporate participation in investments declined **quarter-over-quarter** to **27%** in the first quarter of 2025.

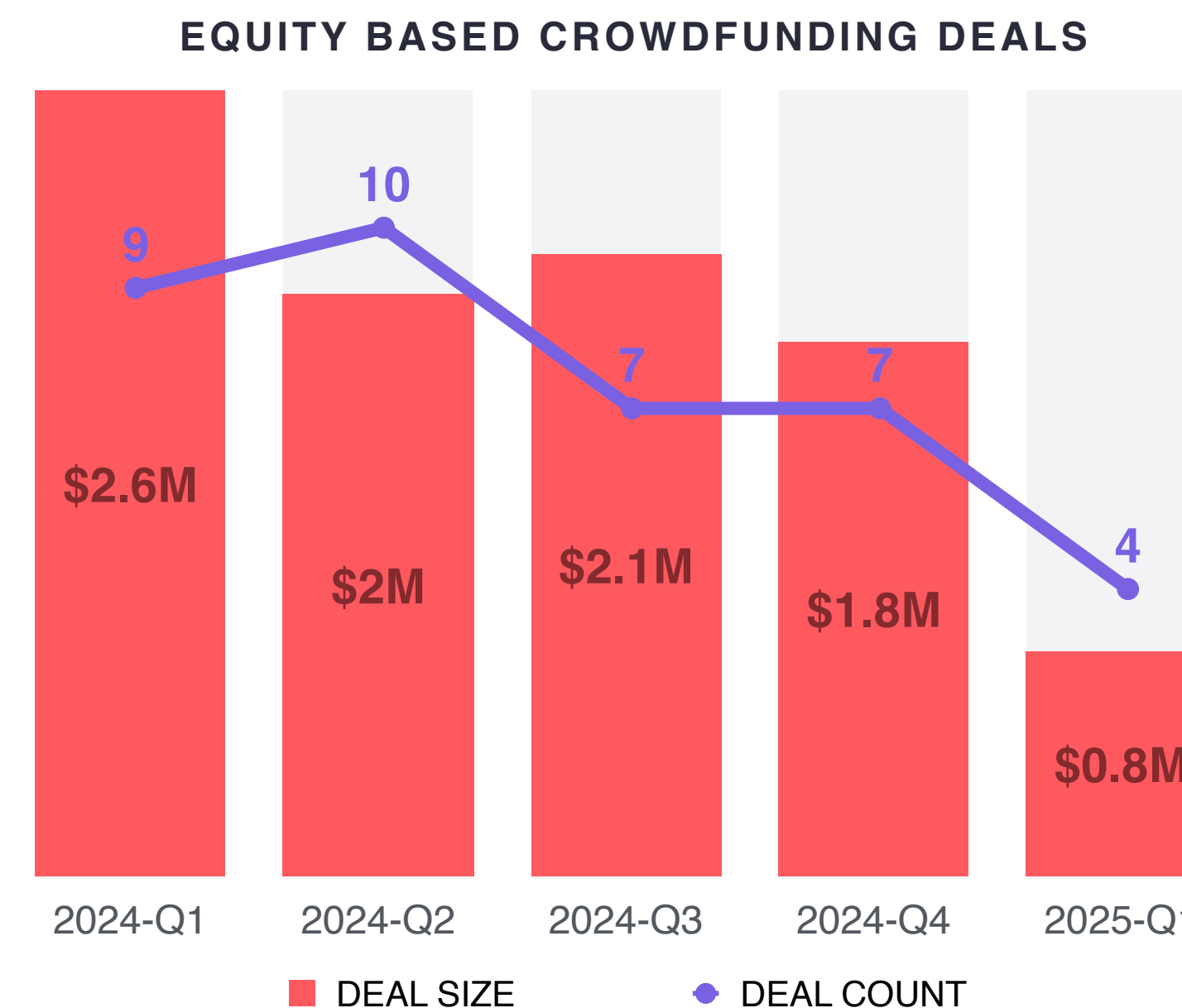
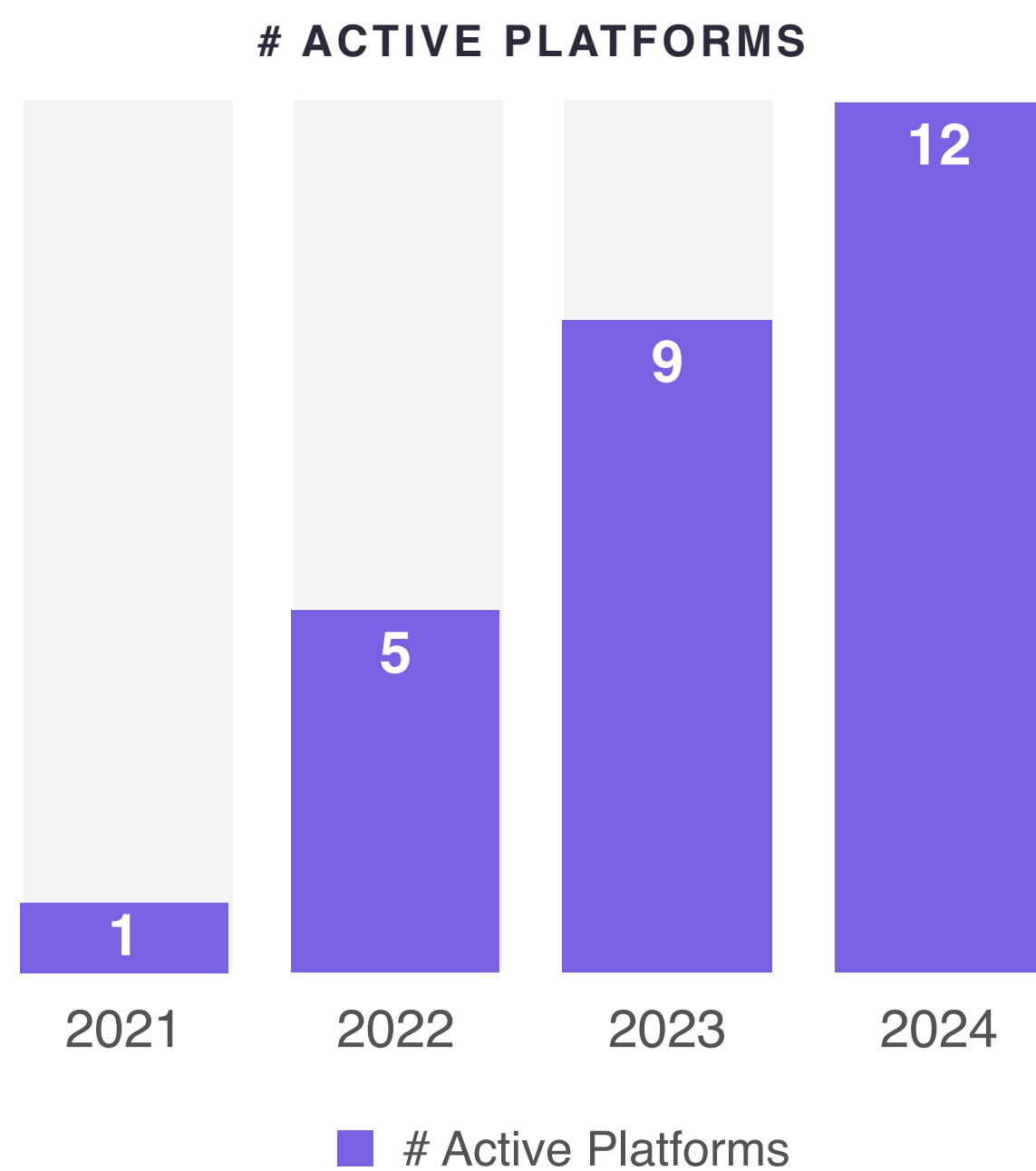
NEW VCIF (GSYF) ESTABLISHED BY YEAR



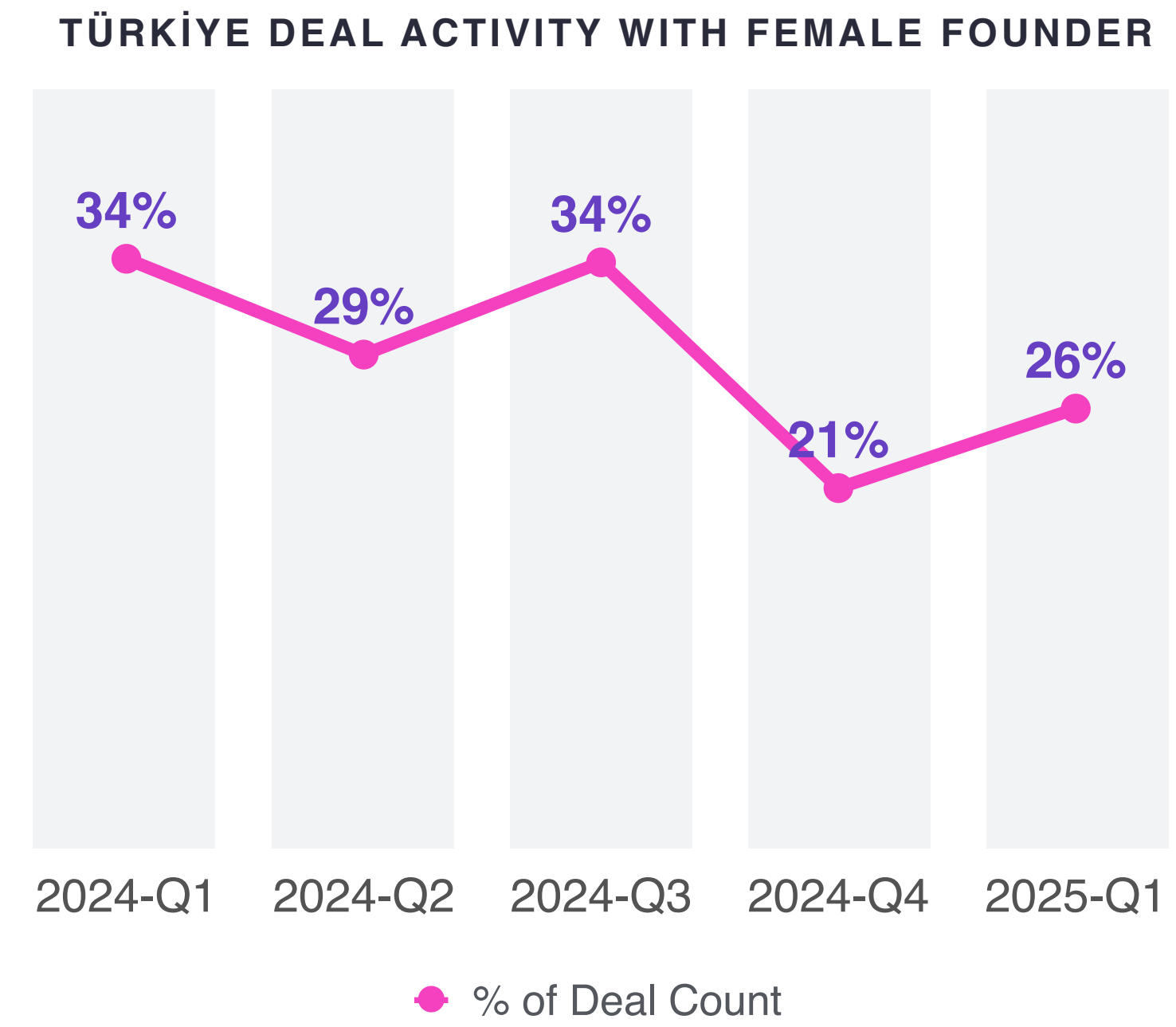
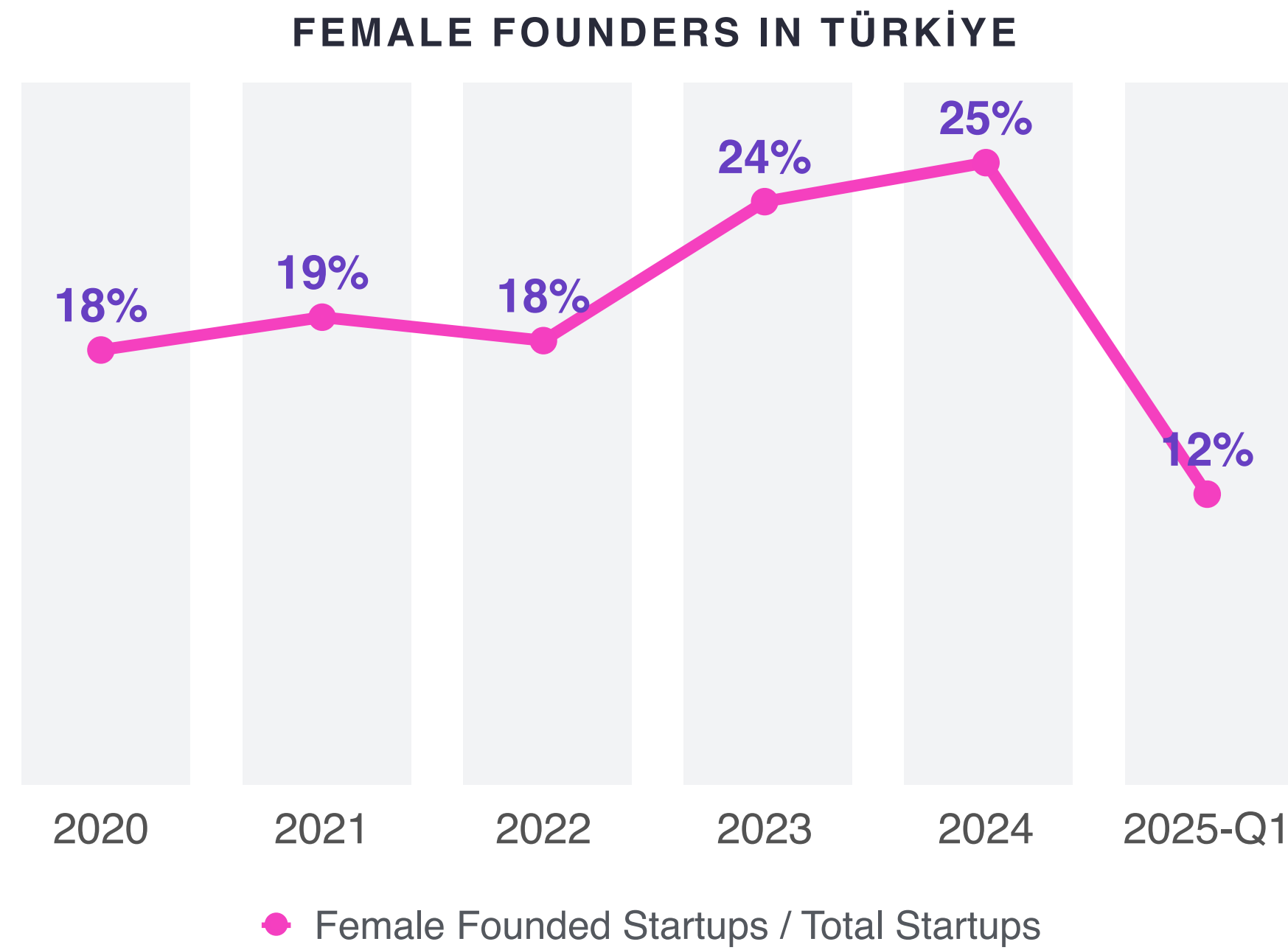
TÜRKİYE VC DEAL ACTIVITY WITH VCIF (GSYF) PARTICIPATION (BIGG DEALS EXCLUDED)



- In the first quarter of 2025, **26** VCIFs (GSYF) were authorized, bringing the total to **481** — or **462** when excluding those that have been closed.
- VCIF (GSYF) investment participation has declined for five consecutive quarters, reaching **30%** in Q1 2025.

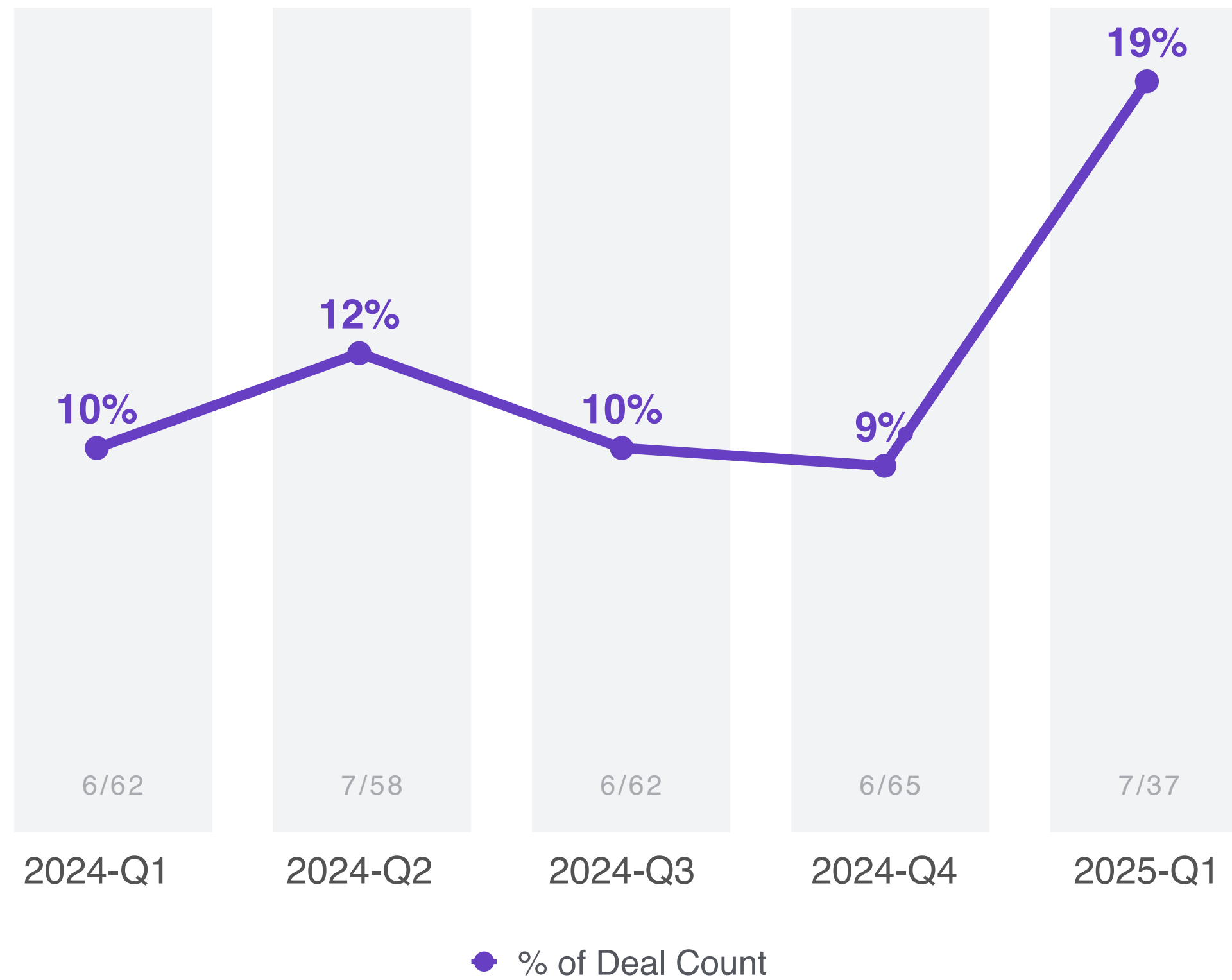


- As of the end of the first quarter of 2025, there are **28** equity crowdfunding platforms, **12** of which are active and **2** of which are closed.
- The number of successful crowdfunding campaigns continued to decline, with only **4** successful campaigns completed in the first quarter of 2025.



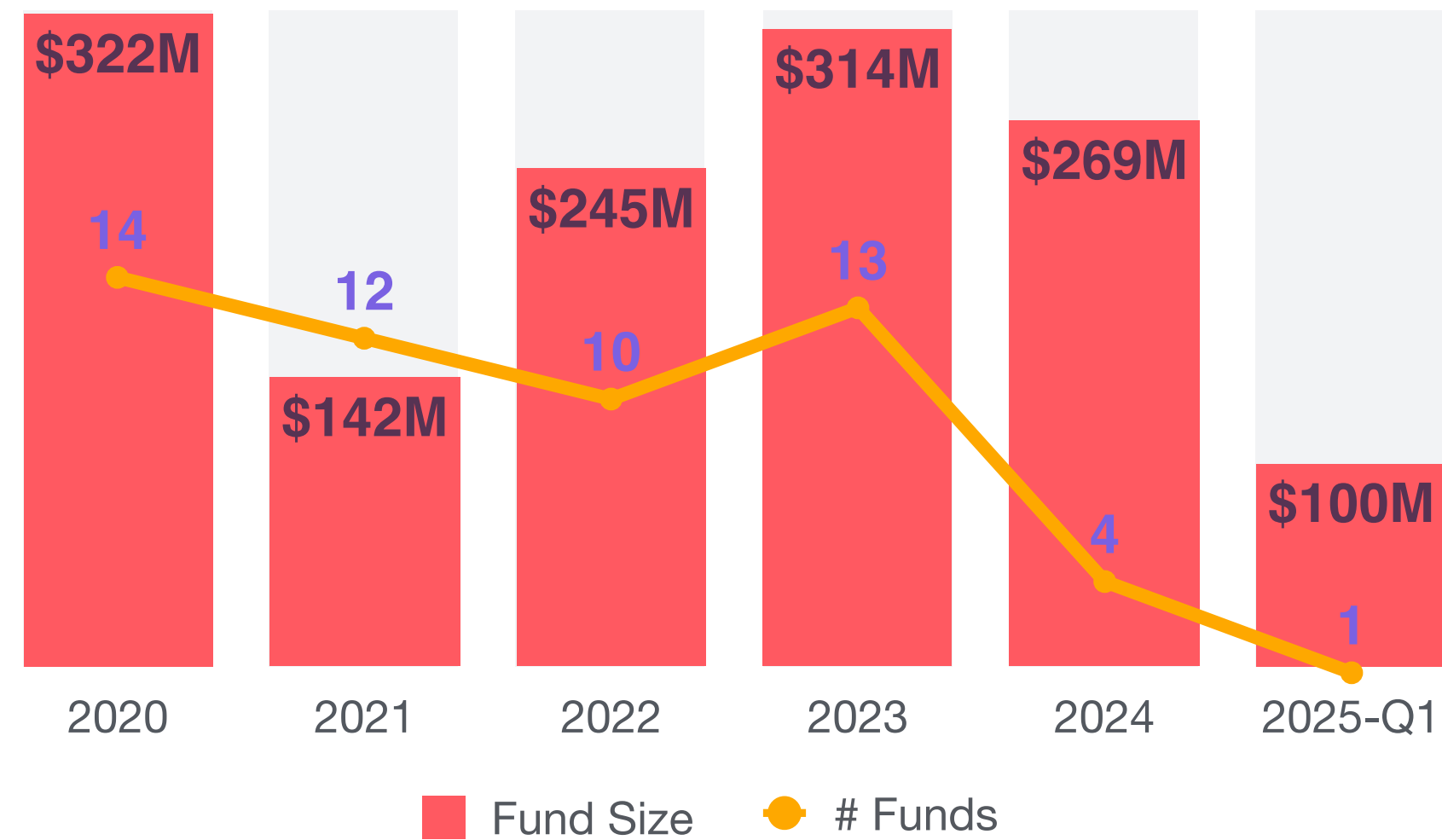
- The low rate in the first quarter of 2025 should be viewed with caution, as startup data is typically reported with a lag.
- Prior to 2024, the share of female-founded startups in total investments did not exceed **21%**. However, thanks to strong representation in the TÜBİTAK BiGG Fund, this figure has reached as high as **34%** in some quarters since 2024.

FOREIGN INVESTOR PARTICIPATION (ANGEL & VC DEALS)
(BIGG DEALS EXCLUDED)

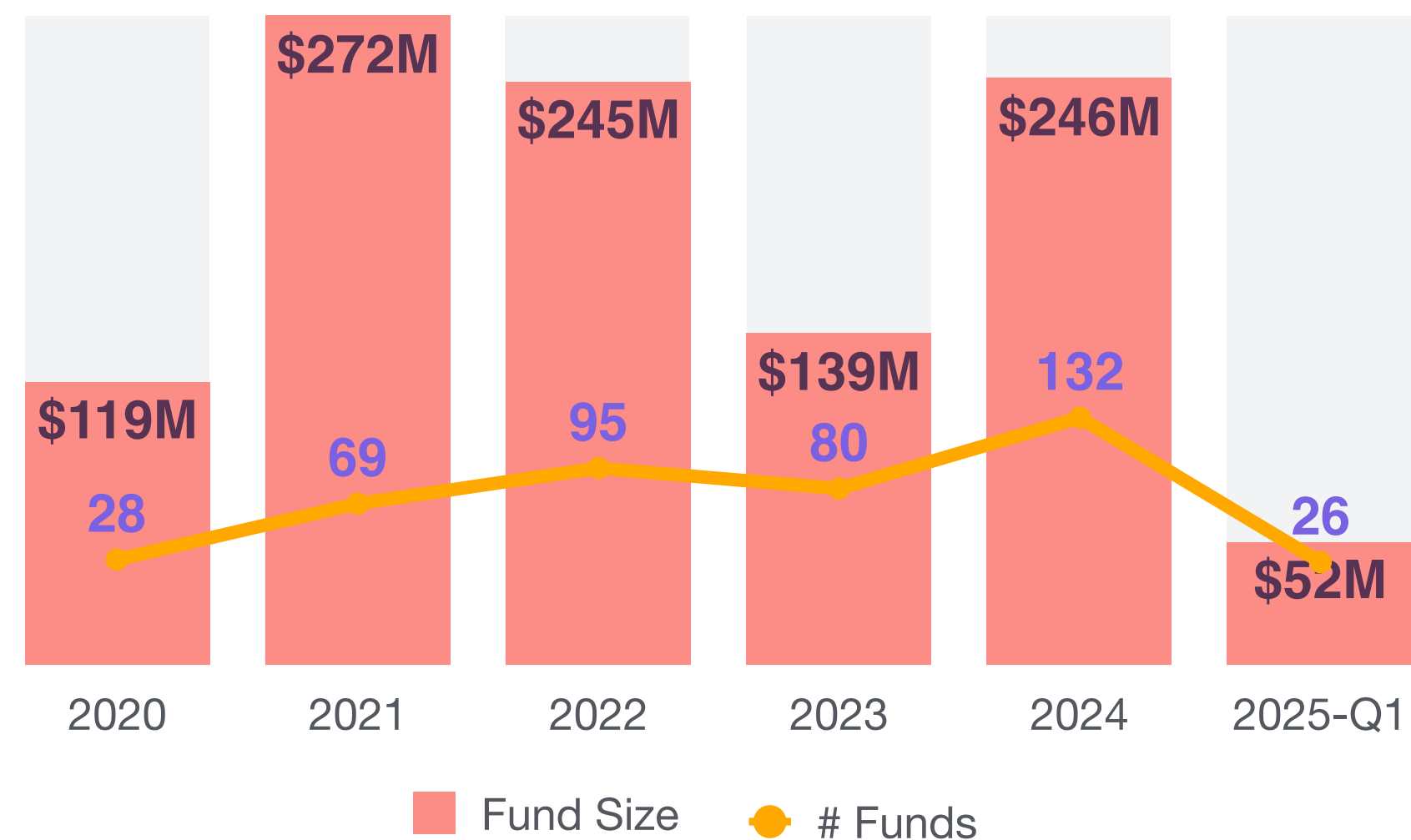


- Although foreign investor participation appeared to double in the first quarter compared to the previous one, this was primarily due to a nearly 50% decline in the total number of investments. In Q1, foreign investors showed the greatest interest in gaming and fintech sectors.
- Arcadia Gaming Partners, DN Capital, Menlo Ventures, Play Ventures, Qatar Development Bank, Rasmal Ventures, SmartFin, SpeedInvest, and Startup Wise Guys were among the foreign investors that backed startups in Türkiye during the first quarter.

TRADITIONAL VC FUNDS ESTABLISHED



VCIF (GSYF) ESTABLISHED



- Since 2020, 430 VCIFs (GSYF) have been launched with the aim of establishing funds totaling \$1.1 billion. In the same period, 54 traditional VC funds have targeted a combined fund size of \$1.4 billion.
- Given their average fund size of \$2.5 million, VCIFs (GSYF) can be considered as micro funds, typically capable of investing at smaller ticket sizes. In contrast, traditional VC funds have an average size of \$26 million.
- While it appears that a total investment pool of \$2.5 billion has been established or authorized in Türkiye since 2020, there is limited transparency regarding how much of this capital is specifically allocated to domestic investments.
- It is known that some traditional funds allocate a maximum of 50% to Türkiye, whereas VCIFs (GSYF) are legally required to allocate over 80% to domestic investments.

Note : The targeted amount is taken into account in VCIFs(GSYF). For traditional VCs, the target size of VCs with first-close was taken into account. The amount of funds allocated to Türkiye is not taken into account due to lack of information.

The most notable acquisitions in the first quarter of 2025 include:

- Laboratoires Vivacy's acquisition of **Burgeon**, a **DCP** portfolio company. This deal represents a “**dragon exit**” for DCP and marks the first instance in Türkiye where a deeptech fund has achieved a full fund-returning exit.
- Constructor Tech's acquisition of **Perculus**, a **Boğaziçi Ventures** portfolio company
- Cleversoft's acquisition of **Fineksus**
- Ava Labs' acquisition of **EtraPay**



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