

TURKISH STARTUP ECOSYSTEM
2022 Q1 REPORT

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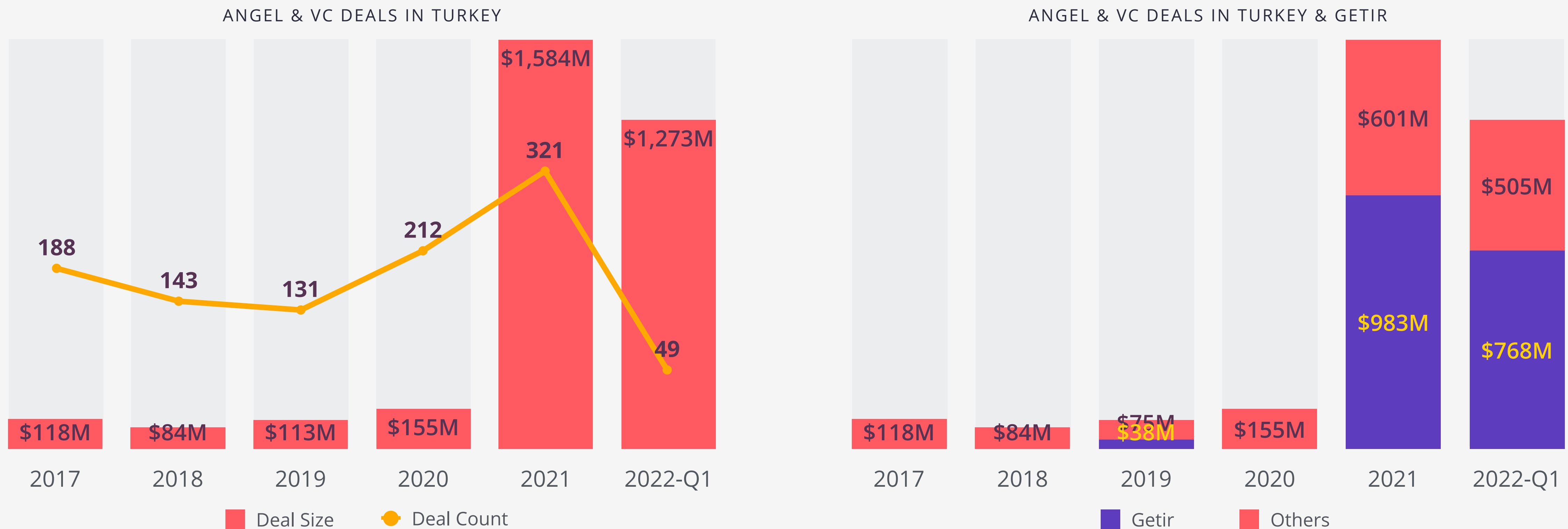
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- Historical funding data is subject to change as our team explore new data.
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METHODOLOGY & DATA

- 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.
- 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 t., 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 2022, **1 billion 273 million dollars** were invested across **49 deals** in seed, early and later vc stages.
- In terms of total investment amount, the first quarter of 2022 was the **best quarter of all time**.
- **Getir** raised \$768 million in Series E funding at \$11.8 billion valuation and became Turkey's second **decacorn**.
- **Insider** raised \$121M at a \$1.22B valuation and became Turkey's new **unicorn**.
- In the first quarter of 2022, gaming startups broke the **record** in terms of investment amount.
- **Alictus** - casual gaming startup - was acquired by SciPlay for \$100 million (80%).
- Turkey - thanks to the large investment received by Getir - was in the **same investment league** with UK, France and Germany in a quarter for the first time.
- Excluding the Getir's latest deal, the most notable vertical was the game vertical.
- **5** funds with a total value of **\$36 million** were established in the first quarter

- In the first quarter of 2022, **1 billion 273 million dollars** were invested across **49 deals** in seed, early and later vc stages.
- **1 billion 144 million dollars**, which corresponds to **90%** of the total investment, was made for 3 startups. Getir (\$768M), Dream Games (\$255M), Insider (\$121M). When these 3 startups were excluded, **129 million dollars** were invested across **46 deals**.
- On a quarterly basis, a **record** was broken in the first quarter of 2022 in terms of amount invested.











- Considering **the seed stage**, the first quarter of 2021 was the **best quarter of all time**.
- As not all equity-based crowdfunding platforms are active yet, crowdfunding deals at the seed stage do not take up a significant amount of space. (5 deals out of 41 were equity based crowdfunding deals)
- The most notable investment among equity-based crowdfunding investments is **egirisim**.
- Considering the **later VC stage**, the first quarter of 2021 was **the best quarter of all time** thanks to Getir.
- Spyke Games, Midas, Space Runners, Revel Games and Düşyeri received the most investments in the seed stage, respectively.
- Getir, Dream Games and Insider received the most investments in the later VC stage, respectively.

TURKEY YEARLY DEAL (\$) ACTIVITY BY STAGES

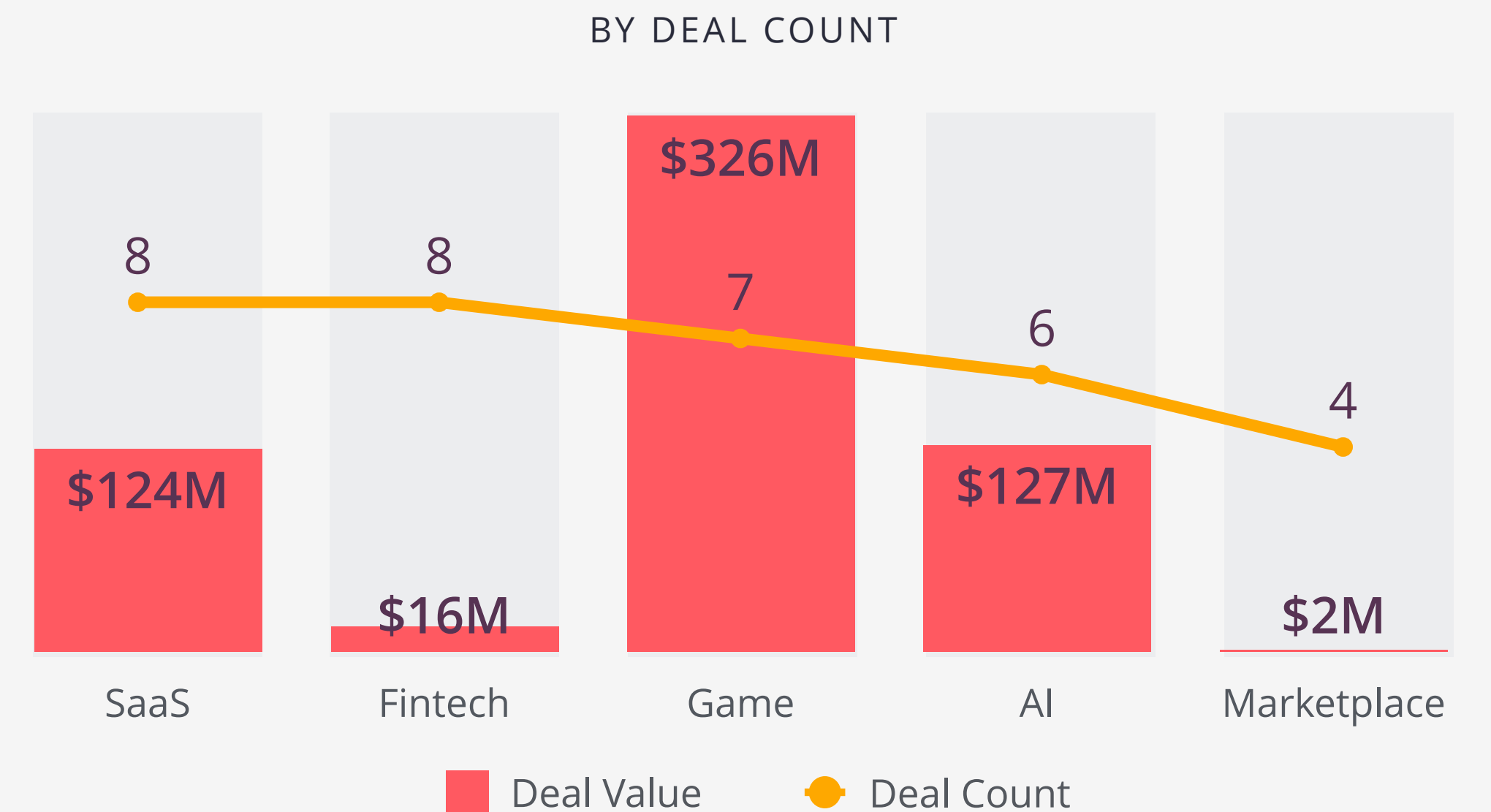
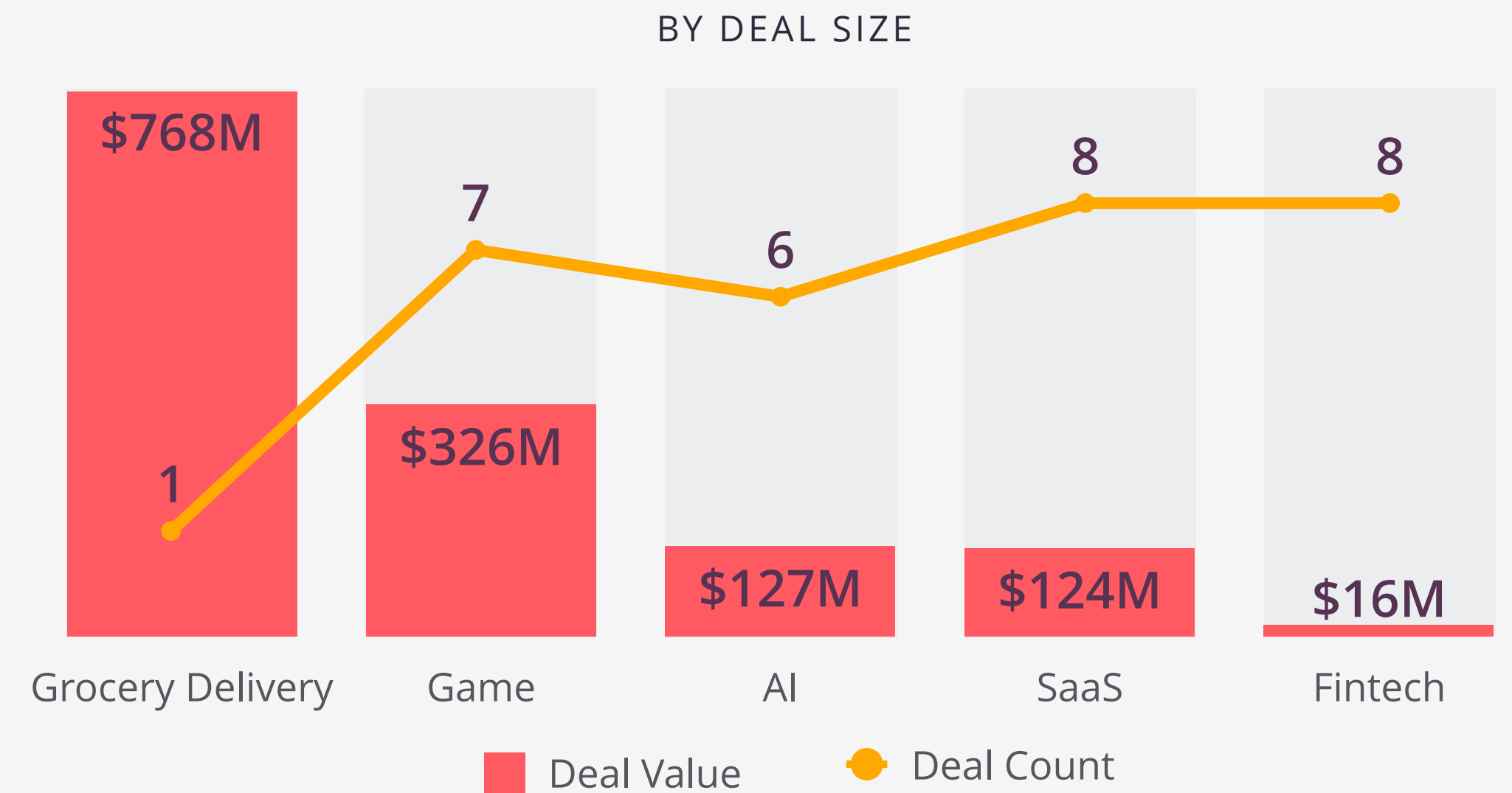
STAGES	2017	2018	2019	2020	2021	2022-Q1
Seed Stage (\$)	61M	47M	44M	68M	137M	96M
<i>YoY Growth</i>		-22%	-7%	54%	102%	-30%
Early VC Stage (\$)	33M	22M	61M	50M	592M	33M
<i>YoY Growth</i>		-35%	184%	-18%	1079%	-94%
Later VC Stage (\$)	23M	15M	7M	37M	855M	1,144M
<i>YoY Growth</i>		-35%	-52%	409%	2211%	34%

TURKEY YEARLY DEAL (#) ACTIVITY BY STAGES

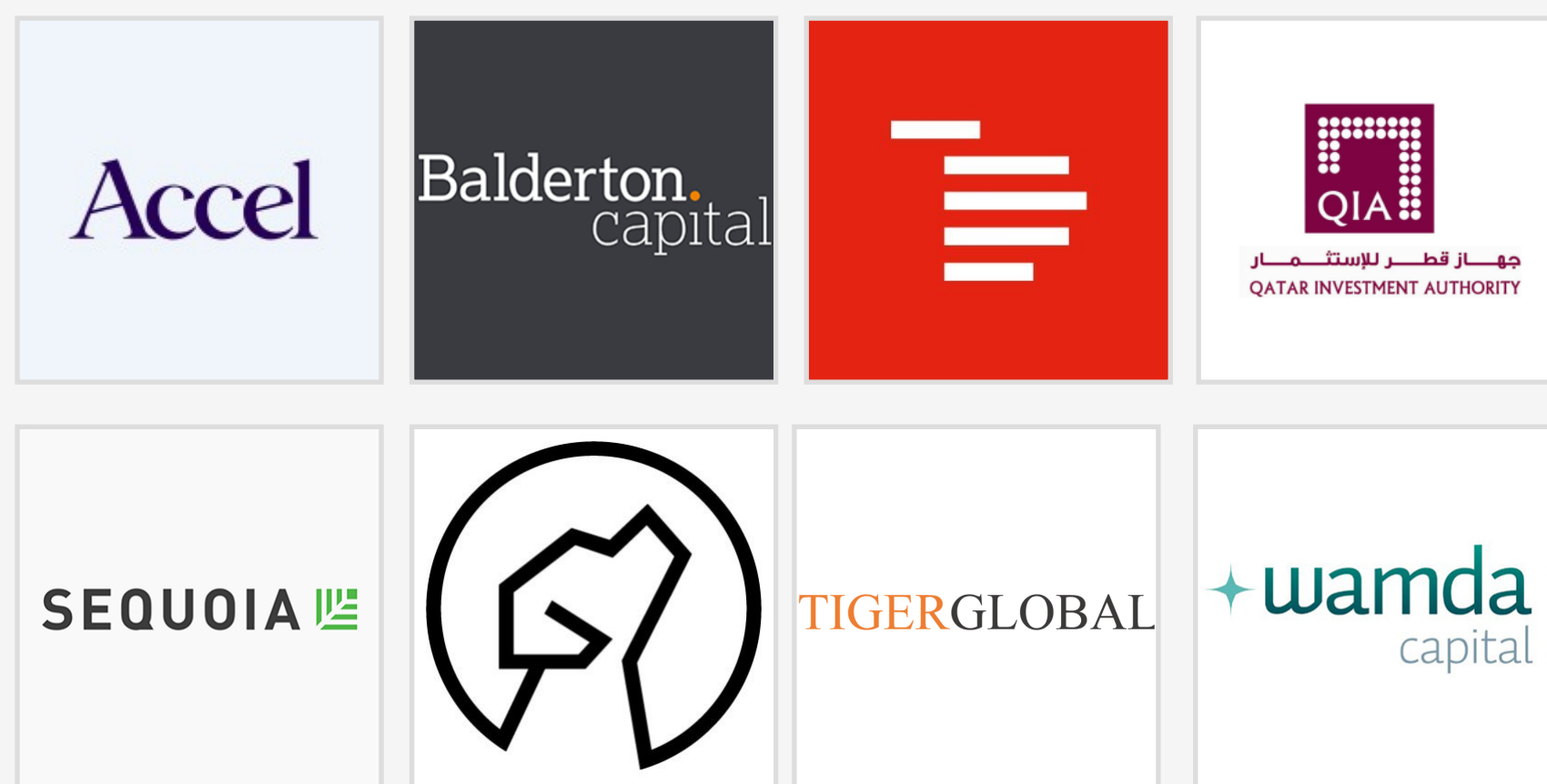
STAGES	2017	2018	2019	2020	2021	2022-Q1
Seed Stage (#)	167	129	116	190	290	41
<i>YoY Growth</i>		-23%	-10%	64%	53%	-86%
Early VC Stage (#)	19	9	12	20	29	5
<i>YoY Growth</i>		-53%	33%	67%	45%	-83%
Later VC Stage (#)	2	5	3	2	2	3
<i>YoY Growth</i>		150%	-40%	-33%	0%	50%

-  **Getir** 
Getir raised \$768 million in Series E funding at \$11.8 billion valuation and became Europe's first grocery delivery and Turkey's second decacorn.
-  **Dream Games** 
Dream Games - the casual games developer behind the hit game Royal Match- raised \$255M at a \$2.75B valuation
-  **Insider** 
Insider - B2B SaaS platform - raised \$121M at a \$1.22B valuation and became unicorn.
-  **Spyke Games**
Spyke Games, casual gaming with multiplayer functionality and other social elements, raised \$50 million.
-  **Midas**
Midas, Robinhood for Turkey, raised \$11M.

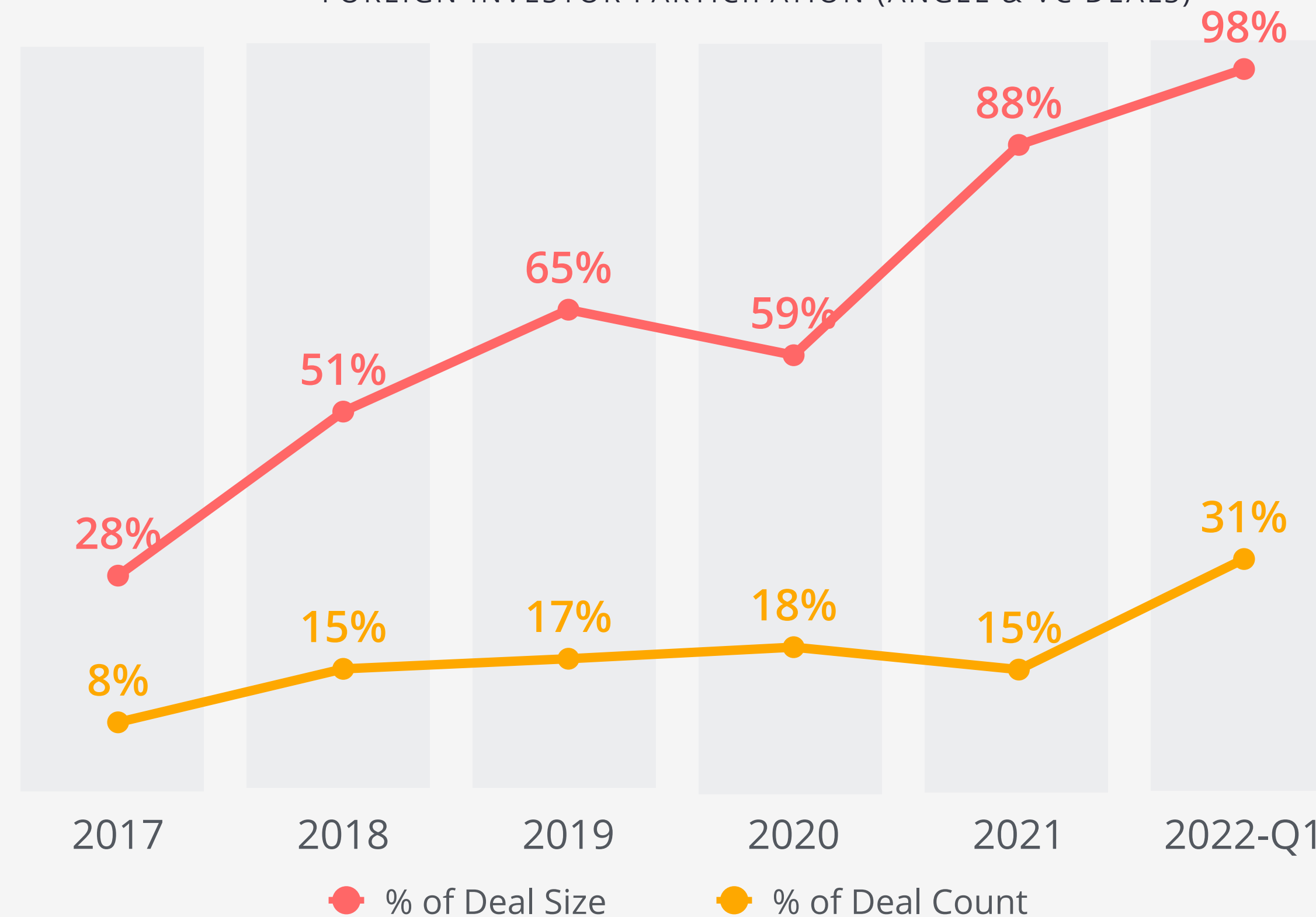
- In terms of deal size, grocery delivery was the vertical that received the most investment with the help of **Getir**'s latest round.
- The gaming vertical was the most striking vertical, both in terms of deal size and deal count.
- **Dream Games** and **Spyke Games** became the most prominent gaming startups with the big deals they received.
- **Fintech**, **Artificial Intelligence**, **SaaS** were the most striking verticals as in the previous quarters.
- **Midas** was the fintech startup that received the largest investment in the first quarter of 2022. **Ödeal** - payment provider - and **fonbulucu** - equity based crowdfunding platform - were other fintech startups that received notable investments.



- In the first quarter of 2022, almost every third investment had a foreign-based investor.
- Getir, Dream Games, Insider, Spyke Games, Midas and Space Runners were the startups that brought the most well-known investors to Turkey.
- Accel, Balderton Capital, Index Ventures, Qatar Investment Authority, Sequoia Capital, Spark Capital, Tiger Global, and Wamda Capital were the most well-known investors who invested last quarter.

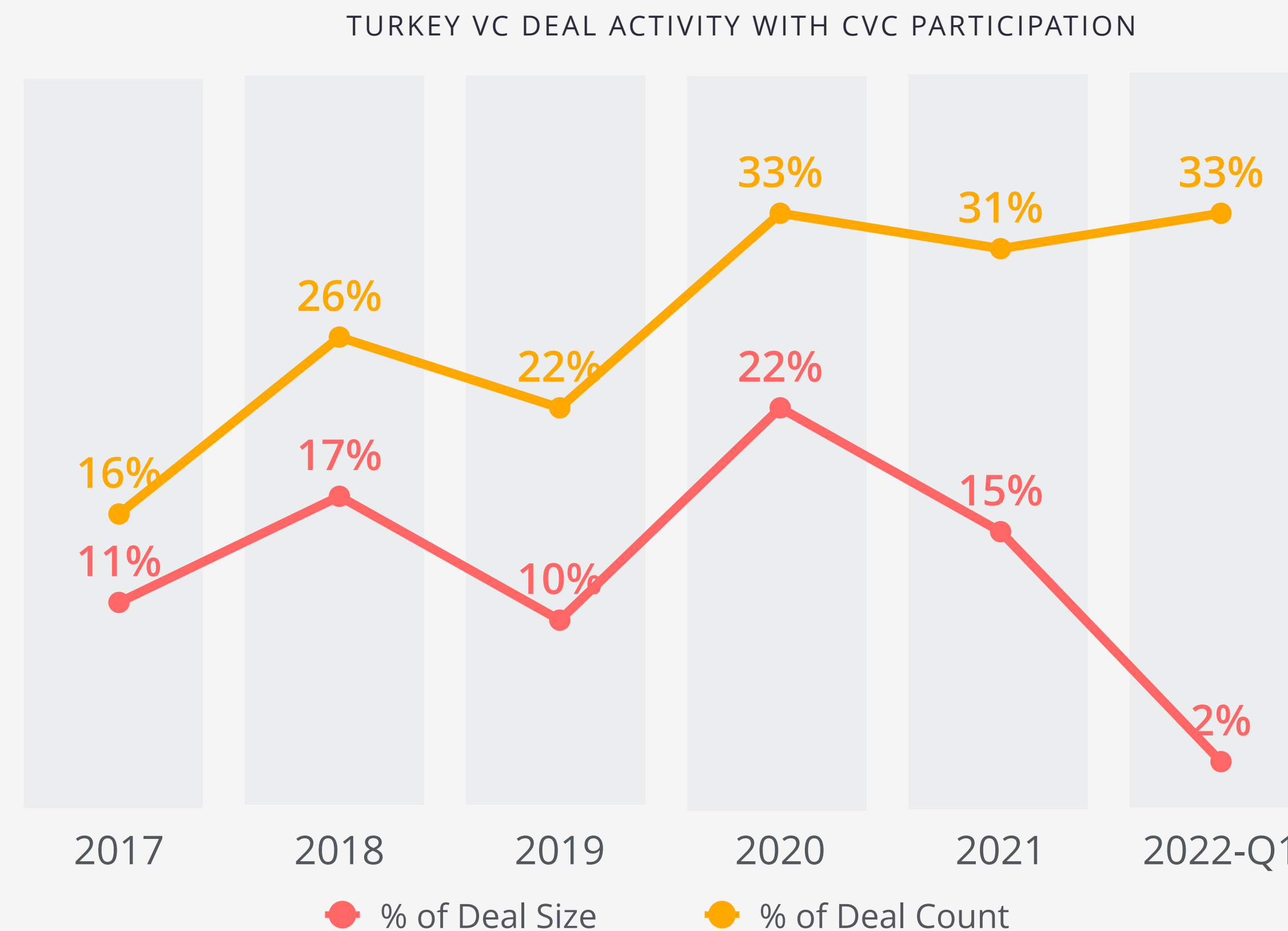


FOREIGN INVESTOR PARTICIPATION (ANGEL & VC DEALS)



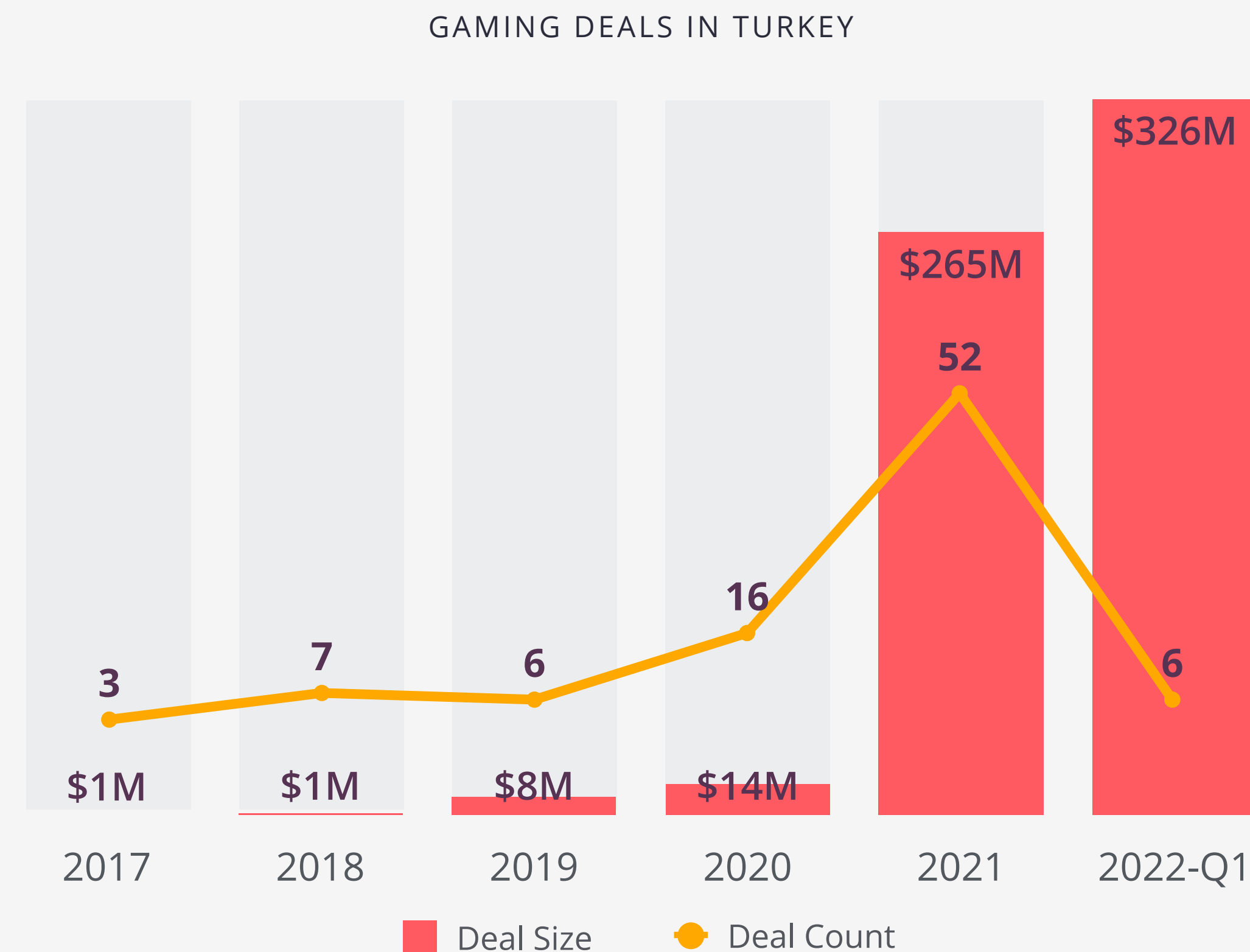
	2017	2018	2019	2020	2021	2022-Q1
DEALS PARTICIPATED (\$)	33M	43M	73M	91M	1,393M	1,252M
TOTAL DEAL SIZE (\$)	118M	84M	113M	155M	1,584M	1,273M
DEALS PARTICIPATED (#)	15	22	22	39	49	15
TOTAL DEAL COUNT	188	143	131	212	321	49

- Corporations took part in one out of every three investments via their investment arms or direct investment.
- **Alesta Yatırım, TT Ventures, Bilişim Vadisi** became active CVCs, as in the previous quarters.
- Although it is misleading to look at the size of the deals that CVCs participated in, the investment rate was 2% due to the lack of CVC in the Getir's latest deal.



	2017	2018	2019	2020	2021	2022-Q1
DEALS PARTICIPATED (\$)	13M	14M	11M	33M	245M	32M
TOTAL DEAL SIZE (\$)	118M	84M	113M	155M	1,584M	1,273M
DEALS PARTICIPATED (#)	30	37	29	71	100	16
TOTAL DEAL COUNT	188	143	131	212	321	49

- Turkey maintained its momentum in hyper casual gaming in this quarter as well. Gaming startups continued to attract large investments and became the country with the **most game investments in Europe and the MENA region**.
- Last year, the game industry broke records both in deal size and in deal count. in the first quarter of 2022, **the record was renewed**.
- When sorted by investment size, Dream Games, Spyke Games, Metaverse, Fomo Games, Revel Games, Abrakadabra, NDG Studio were the game startups that received investment in this quarter.
- In the coming months, gaming startups that have gained momentum in a similar way are expected to receive mega investments and become unicorn candidates.
- SciPlay's acquisition of 80% of **Alictus** for **\$100 million** also shows that exit channels for Turkish gaming startups are still active.



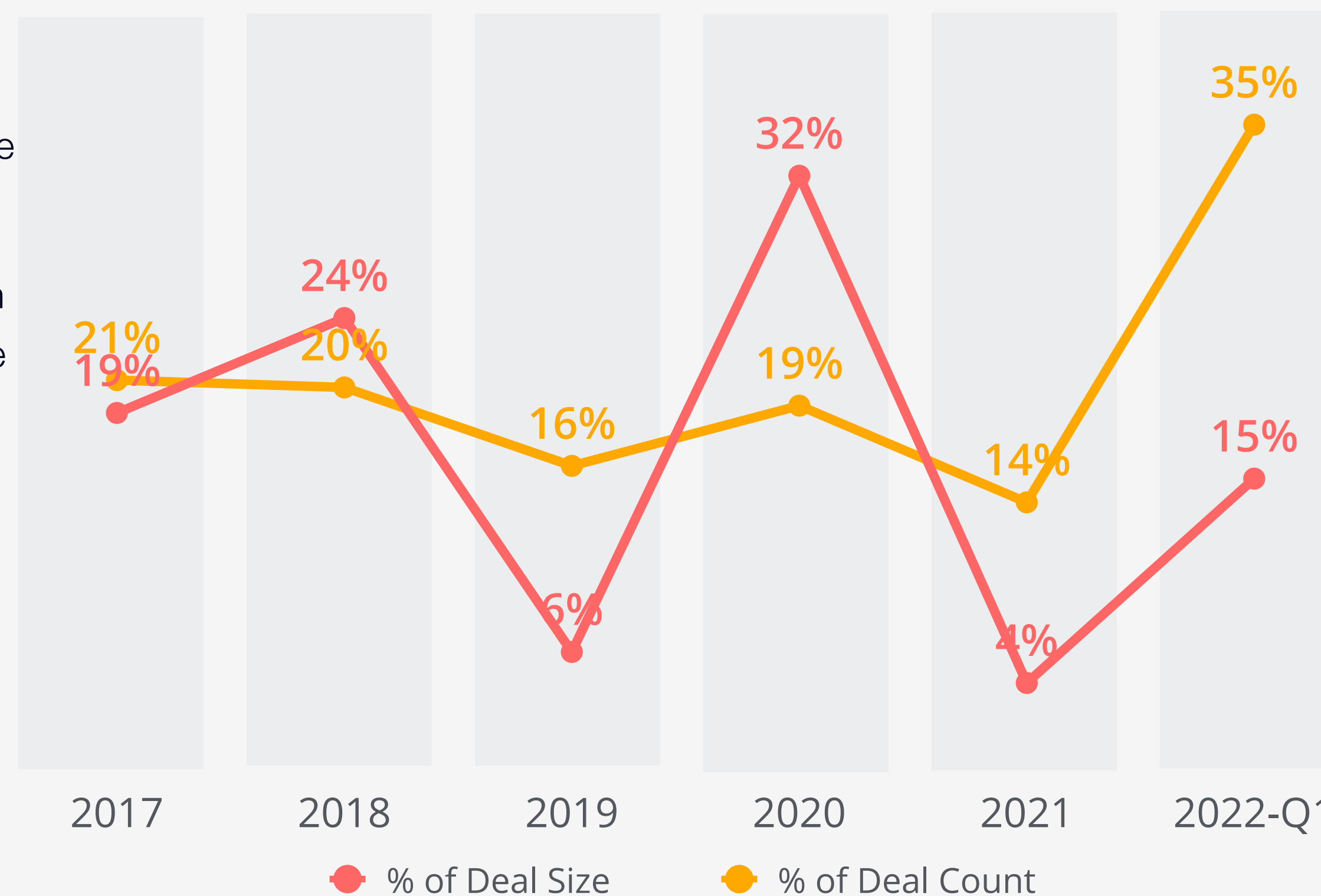
	2017	2018	2019	2020	2021	2022-Q1
DEAL SIZE (\$)	1M	1M	8M	14M	265M	326M
<i>YoY Growth</i>		49%	876%	71%	1750%	23%
DEAL COUNT	3	7	6	16	52	7
<i>YoY Growth</i>		133%	-14%	167%	225%	-87%

- In the first quarter of 2022, 35% of the startups that received investment have female founders.
- The most notable was Insider, which became a unicorn and has female co-founder, Hande Cilingir.
- It is considered too early to analyze the startups founded by women in 2022, as the startups established often lag behind. However, when we examine it, we saw a decrease in the rate of startups established by women entrepreneurs in the first quarter.

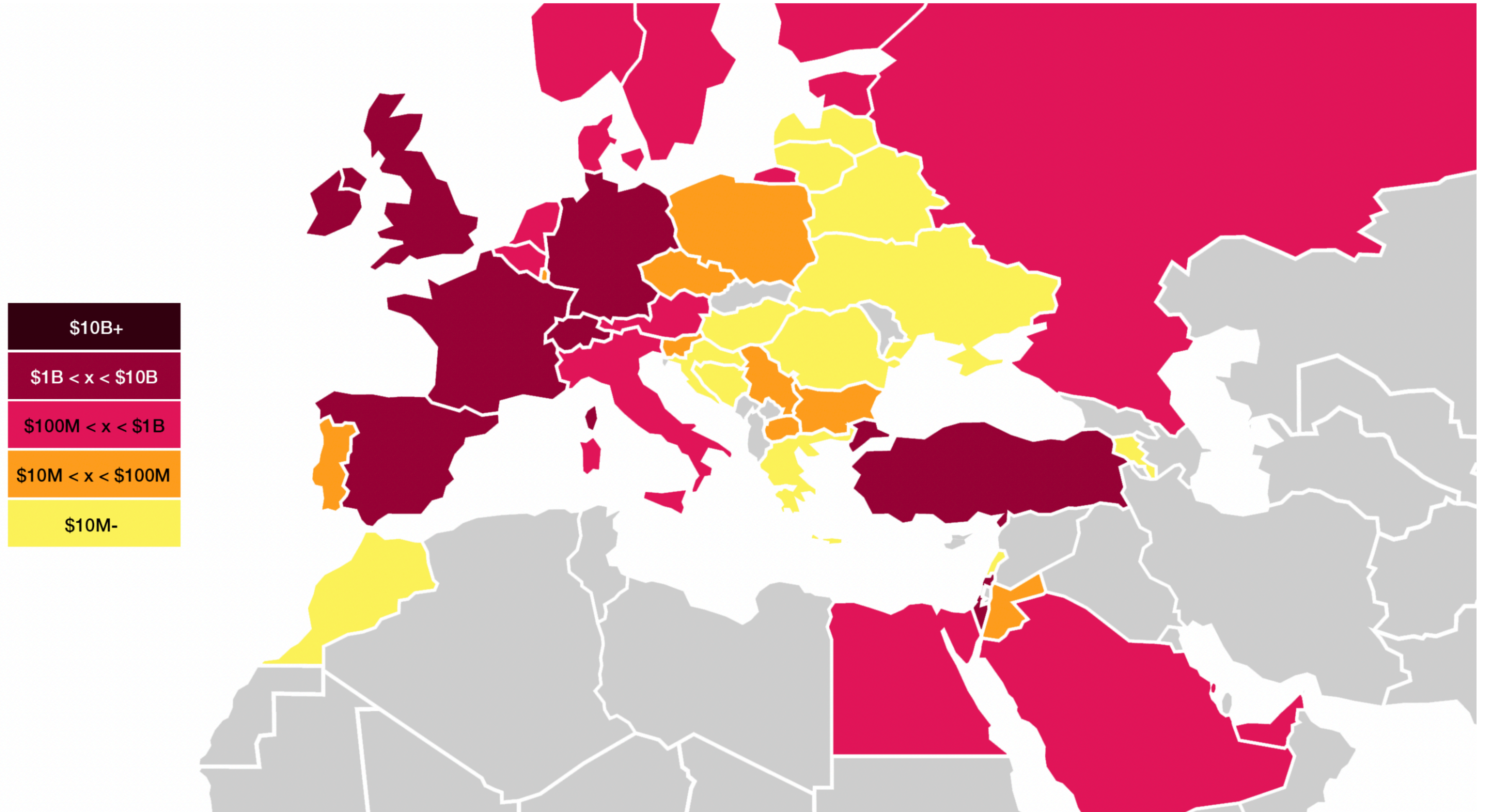
FEMALE FOUNDERS IN TURKEY

	2017	2018	2019	2020	2021	2022-Q1
Female Founder Ratio	16%	15%	19%	18%	23%	13%








TURKEY VC DEAL ACTIVITY WITH FEMALE FOUNDER



	2017	2018	2019	2020	2021	2022-Q1
DEALS W/ FEMALE FOUNDER (\$)	22M	20M	7M	49M	65M	195M
TOTAL DEAL SIZE (\$)	118M	84M	113M	155M	1,584M	1,273M
DEALS W/ FEMALE FOUNDER (#)	39	29	21	41	45	17
TOTAL DEAL COUNT	188	143	131	212	321	49













Super League

	United Kingdom	\$9.1B	(538)
	France	\$5.9B	(170)
	Germany	\$3.2B	(241)
	Spain	\$2B	(107)
	Turkey	\$1.3B	(49)
	Ireland	\$1.1B	(27)
	Switzerland	\$1.1B	(84)








1. League

	Estonia	\$940M	(29)
	Austria	\$855M	(25)
	The Netherlands	\$741M	(80)
	Sweden	\$676M	(51)
	Finland	\$535M	(36)
	Belgium	\$482M	(25)
	Norway	\$450M	(17)
	Italy	\$401M	(36)
	Denmark	\$365M	(24)
	Russian Fed.	\$244M	(16)

2. League

	Malta	\$81M	(5)
	Luxembourg	\$68M	(9)
	Poland	\$48	(15)
	Serbia	\$40	(1)
	Portugal	\$38M	(9)
	Bulgaria	\$36M	(4)
	Czechia	\$19M	(6)
	Slovenia	\$18M	(4)
	Iceland	\$16M	(6)
	Macedonia	\$15M	(1)

3. League

	Romania	\$9M	(8)
	Ukraine	\$7M	(5)
	Latvia	\$5M	(6)
	Greece	\$5M	(4)
	Lithuania	\$4M	(7)
	Croatia	\$1M	(2)
	Hungary	\$1M	(2)

Super League

 Israel **\$2.9B** (125)

 Turkey **\$1.3B** (49)

1. League

 United Arap E. **\$368M** (46)

 Egypt **\$202M** (42)

 Saudi Arabia **\$191M** (28)

 Bahrain **\$121M** (3)

2. League

 Jordan **\$26M** (8)

3. League

 Armenia **\$2M** (2)

 Morocco **\$0.3M** (1)

- In the first quarter of 2022, **Istanbul** placed **4th amongst European cities** in terms of total angel and VC investment, a new record for the city.
- In terms of number of deals, Istanbul placed **5th** in Europe.
- In the MENA region, Istanbul placed **2nd** behind **Tel Aviv** in terms of both number of deals and total investment made. Istanbul surpassed **Dubai** on both these metrics.
- In the first quarter of 2022, **Istanbul** was the **leading city** for angel and VC deals in gaming startups in **Europe and MENA**, receiving approximately 326 million dollars.

ANGEL & VC DEALS IN EUROPEAN CITIES IN 2022-Q1

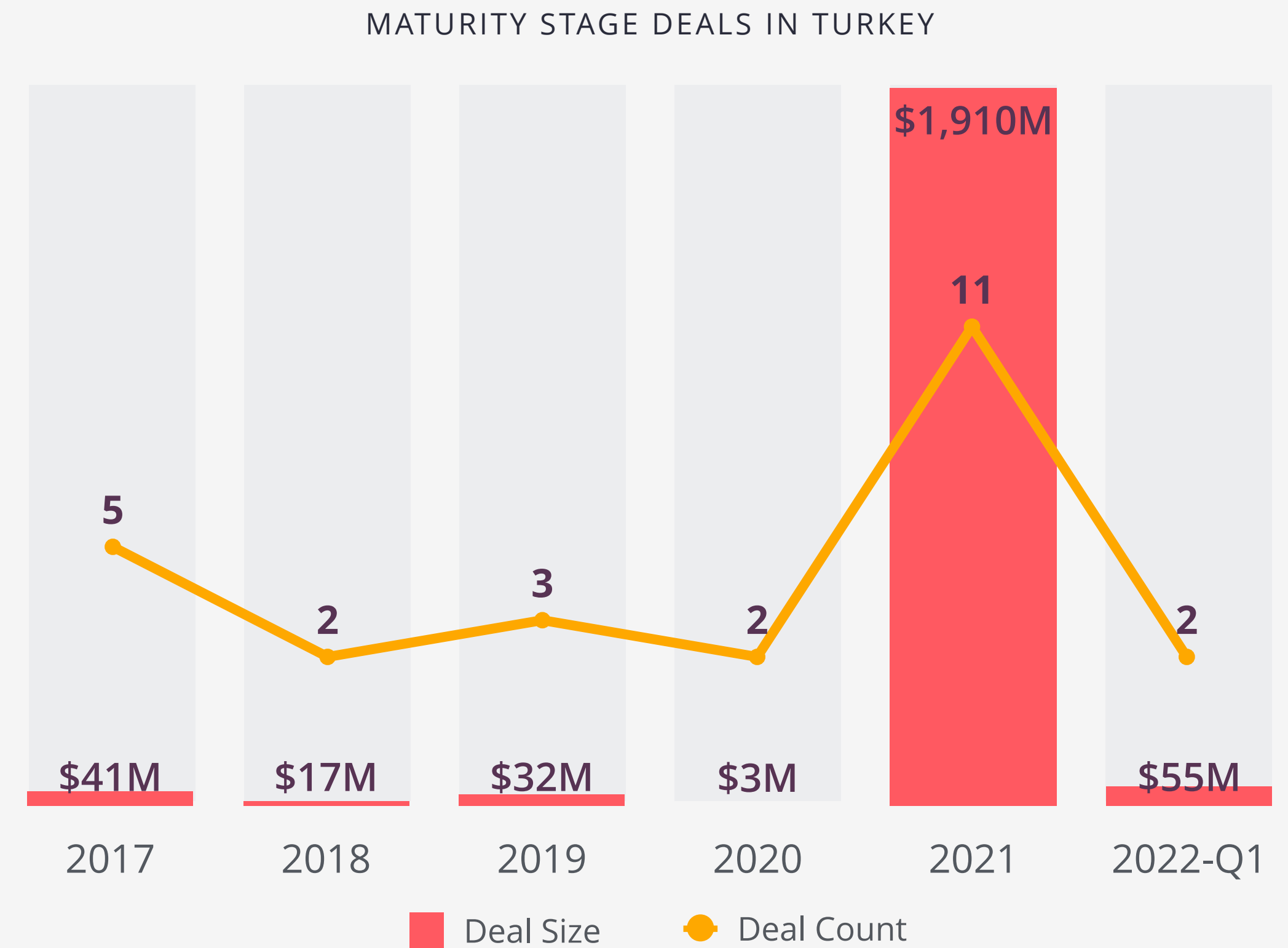
RANK	CITY	DEAL SIZE (\$)	DEAL COUNT
1	London	6.8B	358
2	Paris	4B	99
3	Berlin	1.6B	84
4	Istanbul	1.3B	44
5	Tallinn	931M	25
6	Vienna	762M	15
7	Barcelona	742M	45
8	Amsterdam	424M	38
9	Oslo	322M	13
10	Munich	321M	35

GAMING DEALS IN EUROPEAN CITIES IN 2022-Q1



RANK	CITY	DEAL SIZE (\$)	DEAL COUNT
1	Istanbul	326M	7
2	London	124M	6
3	Oslo	60M	2
4	Helsinki	53M	2
5	Nottingham	10M	1

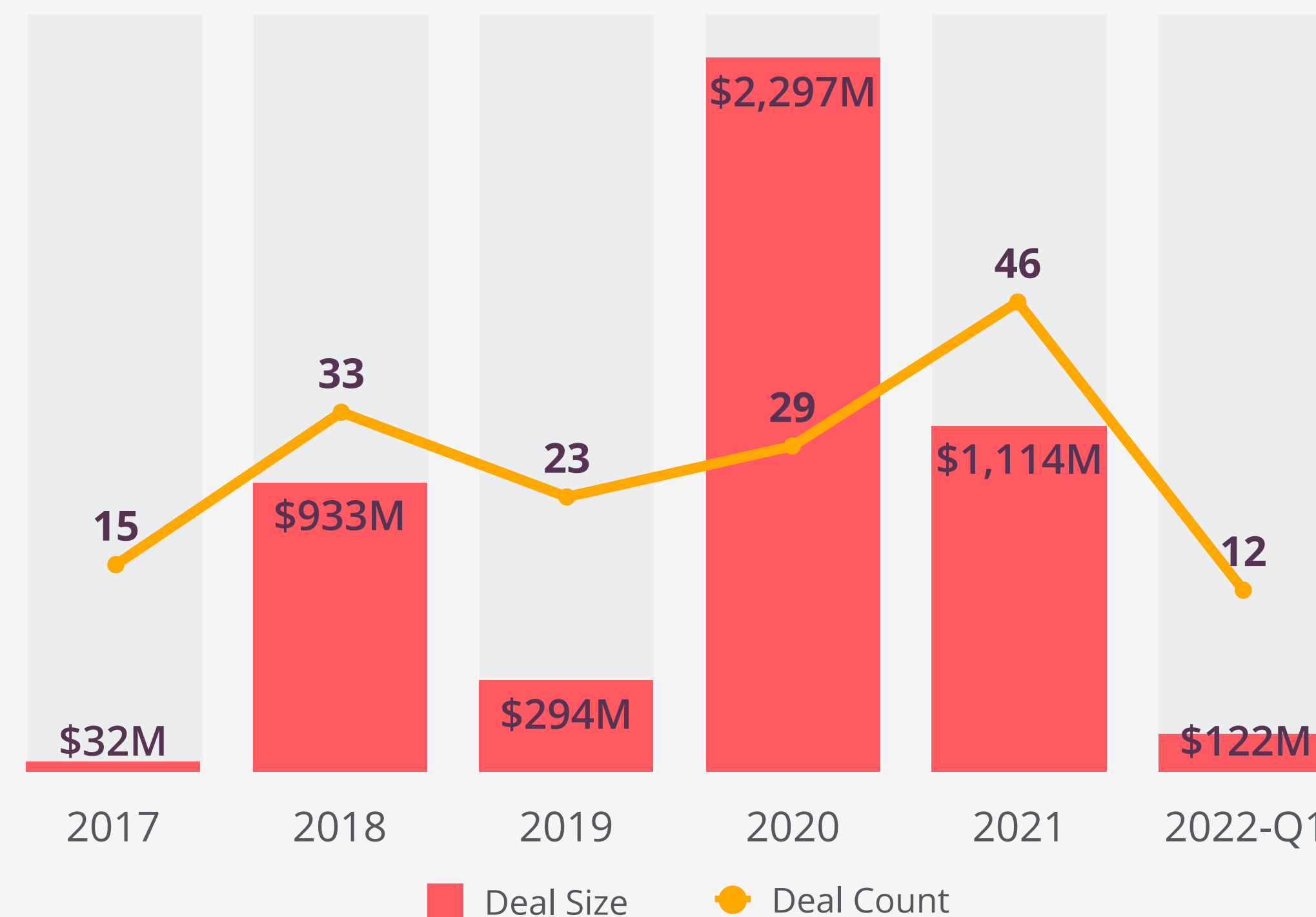
- The remarkable maturity stage deals in the first quarter of 2022 were Getir's **n11** investments and Yazoo's **Joygame** investments.
- Getir's **n11** investment is a giant step towards becoming a super app.



	2017	2018	2019	2020	2021	2022-Q1
DEAL SIZE (\$)	41M	17M	32M	3M	1,910M	55M
<i>YoY Growth</i>		-60%	93%	-92%	72238%	-97%
DEAL COUNT	5	2	3	2	11	2
<i>YoY Growth</i>		-60%	50%	-33%	450%	-82%

- SciPlay's acquisition of Alictus, Navlungo's acquisition of **Park Palet**, Ödeal's acquisition of **Takside POS**, Ozan's acquisition of **Payfull**, Escort Teknoloji Yatırım's acquisition of **smpl.** and **Digiform** are the most notable acquisitions of the first quarter of 2022.
- SciPlay's acquisition of 80% of **Alictus** for \$100 million also shows that exit channels for Turkish gaming startups are still active.
- Fintech startups showed that they are always very active in terms of exit, even if there are no large deal sizes.

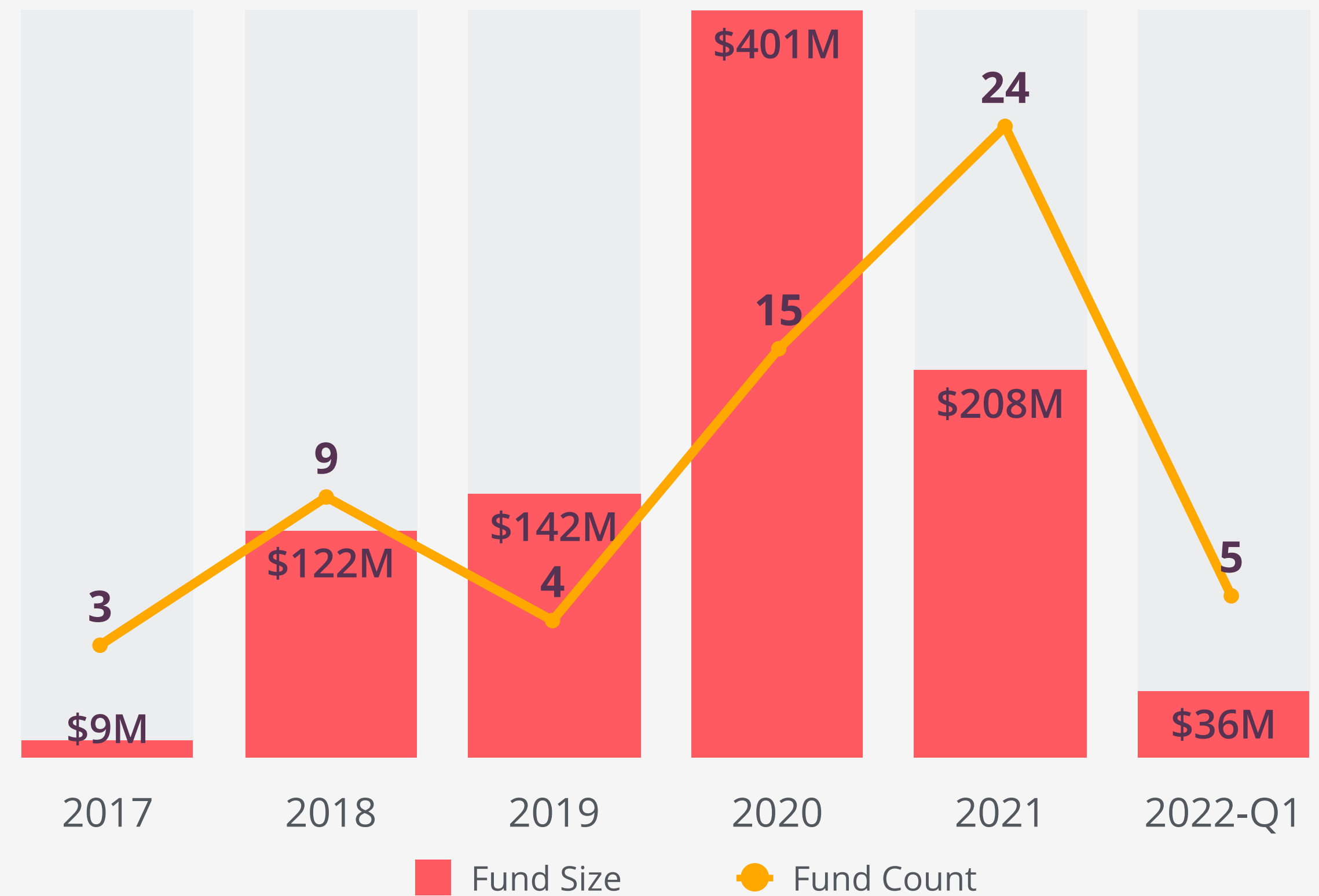
ACQUISITIONS & SEC. TRANSACTIONS IN TURKEY



	2017	2018	2019	2020	2021	2022-Q1
DEAL SIZE (\$)	32M	933M	294M	2,297M	1,114M	122M
<i>YoY Growth</i>		2826%	-69%	682%	-51%	-89%
DEAL COUNT	15	33	23	29	46	12
<i>YoY Growth</i>		120%	-30%	26%	59%	-74%

- In the first quarter of 2022, **Finberg's new fund (OFN), Gözde Tech Ventures, Idacapital Acceleration Fund, Paribu Ventures** and **Turkcell New Technologies Fund** were launched.
- While 5 funds with a total value of 36 million dollars were established in the first quarter, the amount of funds established in the last 3 years reached **645 million dollars** and the number of funds reached **44**.
- The total fund amount in the last 5 years has reached **909 million dollars**.

VC FUNDRAISING IN TURKEY

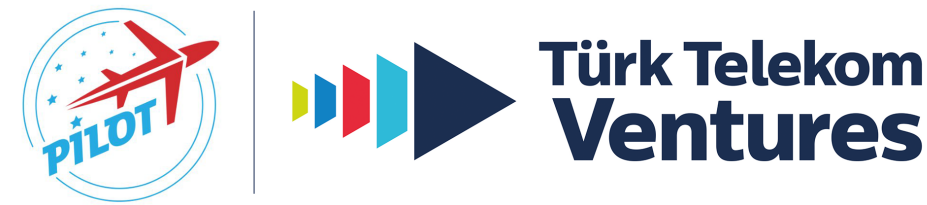


	2017	2018	2019	2020	2021	2022-Q1
FUND SIZE (\$)*	9M	122M	142M	401M	208M	36M
<i>YoY Growth</i>		1224%	16%	182%	-48%	-83%
FUND COUNT	3	9	4	15	24	5
<i>YoY Growth</i>		200%	-56%	275%	60%	-79%

*: Only fund amounts reserved for Turkey are counted.



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Startups.watch is the leading market intelligence and analytics platform for investors and business development specialists who are looking for data and insights about Turkish startup ecosystem.

It's founded in June 2015. It has paid customers in 20+ countries.

ABOUT 212

212 invests in growth-stage tech companies across Turkey, CEE, and MENA. With €80 million under management and 25 investments, 212 finances B2B tech solutions with significant traction, a clear product-market fit, and readiness to scale globally. <https://212.vc/>