

Globalturk
capital

Strategic Partner



6th Annual Executive Briefing on Private Capital in Türkiye and Environs

October 24, 2024

Main Sponsor

INVEST IN  TÜRKİYE

MAIN SPONSOR



SPONSORS ON-STAGE

AKPortföy



DIGITAL EAST FUND



Esin
Attorney
Partnership.

Figo>para



GedikYatırım

LUDUS
VENTURES



MAXIS



SPONSORS

ARKSIGNER



ÇUKUR PARTNERS
LAW FIRM

D'S
damat

HAZNEDAR DURER
REFRACTORIES
a member of Calders

Hergüner

İŞ YATIRIM

Metis



Paksoy | 25+



SUPPORTERS



AGENDA

09:00 **Registration & Networking**

10:20 **Opening Remarks - Overview of the Private Capital Scenery**

Barış Öney - Founder and Managing Partner, Globalturk Capital and
CEE Leadership Council Member and Türkiye Representative, GPCA

10:40 **The New FDI Strategy of Türkiye**

Ahmet Burak Dağlıoğlu - President, Presidency of The Republic of Türkiye Investment Office

10:55 **GPCA Key Research Highlights**

Jeff Schlapinski - Senior Director, Research, GPCA

11:10 **Keynote Interview**

Barış Öney - Globalturk Capital, GPCA
Dirk Werner - EBRD

11:25 **Growing Venture Tech Investments and Corporate Venture Capital Investments in Türkiye and Abroad**

- **MODERATOR**

İsmail Esin - Esin Attorney Partnership

- **İhsan Elgin** - Finberg
 - **Göktürk Işıkpınar** - Ak Portföy
 - **Barış Karakullukçu** - İşbank, 100th Year Venture Capital Fund
 - **Baturay Kaya** - Digital East Fund
 - **Bernard-Louis Roque** - Truffle Capital
 - **Ozan Sönmez** - Molten Ventures
-

12:10 **Venture Tech Success Stories**

- **MODERATOR**

Agah Uğur - Boğaziçi Ventures

- **Nevzat Aydın** - Gen Türkiye
 - **Koray Bahar** - Figopara
 - **Volkan Biçer** - Ludus Ventures
 - **Bülent Tekmen** - Colendi
-

12:40 **Lunch**

13:45	M&A Transaction Landscape in Türkiye, CEE and MENA Regions, Current Pipeline and Trends Merlin Piscitelli - Datasite
14:00	MENA – Türkiye Cross-border Investment and Exit Opportunities - MODERATOR Serkan Kızıl - Taxim Capital / Astra Capital Hassan Al-Jeshi - Malaz Capital Suhaib Al Mabrouk - QFB, Leshabank Laurent Demey - Amethis Yaser Moustafa - Janus Henderson - NBK Capital
14:40	Eurasia – Türkiye Cross-border Investment and Exit Opportunities - MODERATOR Jeff Schlapinski - GPCA Yasemin Bedir - Mastercard Didem Ilgaz Anıl - CEECAT Capital Krzysztof Kulig - Innova Capital Alex von Sponeck - Kirkoswald Denys Sychkov - Horizon Capital
15:20	Coffee Break
15:40	Survey Results
15:45	New Global Investment Strategies of DFIs/LPs and Themes for Türkiye and Environs - MODERATOR Barış Öney - Globalturk Capital, GPCA Anne Fossemalle - EBRD Oliver Polednick - DEG Jaap Reinking - FMO Nicholas Vickery - IFC
16:20	Managing Portfolios, Exits and Fund Raisings for Türkiye Focused GPs - MODERATOR Barış Gen - IFC Cenk Coşkuntürk - Mediterra Capital Koray Doğançay - Maxis Private Equity Mehmet Özkaya - Esas Holding Seymur Tarı - Turkven Selahattin Zoralioğlu - Alkima Partners & Taxim Capital

17:00

Fireside Chat

Yiğit Dula - EBRD

Erman Kalkandelen - Franklin Templeton

17:15

Exit Opportunities for Private Capital Through IPOs in Borsa Istanbul and LSE

- MODERATOR

Emre Karter - Citibank Türkiye

- Gökhan Arıkoç - Lycian Capital - Azimut
- Güzhan Gülay - Borsa Istanbul
- Axel Kalinowski - The London Stock Exchange Group
- Onur Topaç - Gedik Invest

17:50

Türkiye's Industry and Technology Strategy and Policies

Zekeriya Coştu - Deputy Minister of Industry and Technology

18:15

Closing Remarks

Barış Öney - Globalturk Capital, GPCA

Globalturk capital

Strategic Partner

GPCA
Global Private Capital Association
formerly EMPEA

Main Sponsor

INVEST IN TURKIYE

* Cevdet Yılmaz
Vice President of
The Republic of Türkiye

Mehmet Fatih Kacı
Minister of Industry and
Technology, Republic of Türkiye

Ahmet Burak Dağlıoğlu
President of The Investment Office
of The Presidency

Zekeriya Coştu
Deputy Minister of Industry
and Technology, Republic of Türkiye

Hassan Al-Jeshi
Mubadala Capital

Ihsan Elgin
Polaris

Baturay Kaya
Digital East Fund

Ozan Sönmez
Mellanx Ventures

Suhaib Al Mabrouk
Lend Lease

Dr. Ismail G. Esin
Esin Attorney Partnership

Serkan Kızıl
Tasam Capital & Astro Capital

Alex von Sponeck
Entosworld

Gökhan Arıkoç
Lycian Capital

Anne Fossemalle
EBRD

Kulig Krzyżstof
Innova Capital

Deryn Sychkov
Horizon Capital

Nevzat Aydın
Cent Tekwin

Barış Gen
IFC

Yaser Maustafa
NBB

Seymur Tan
Turkmen

Koray Bahar
Tayana

Güshan Gülay
Borsa Istanbul

Barış Öney
Globalturk Capital, GPCA

Bülent Tekmen
Celerici

Yasemin Bedir
Lundin Ventures

Didem Iğas Anıl
DECAT Capital

Mehmet Özkaya
Eva Holding

Agah Uğur
Bogazici Ventures

Volkan Biçer
Lundin Ventures

Gökürk Işıkpinar
AK Portfolyo

Merlin Piscitelli
Dantea

Nicholas Vickery
IFC

Cenk Coşkunurk
Mubadala Capital

Axel Kalinowski
LSE

Oliver Poledniak
DEG

Nicklas Werner
EBRD

Laurent Demey
Asteris

Erman Kalkandelen
Franklin Templeton

Jaap Reinking
FMO

Selahattin Zoralıoğlu
Akisana Partners

Koray Doğançay
Mellanx Private Equity

Barış Karakullukçu
İş Bankası

Bernard-Louis Roques
Traffik Capital

Emre Karter
Citibank & S. Türkiye

Jeff Schlapinski
GPCA

Refik Yiğit Dula
EBRD

* Due to the last minute changes in his priorities, Ahmet Burak Dağlıoğlu, President of the Investment Office of the Presidency of The Republic of Türkiye, shared Vice President Cevdet Yılmaz's welcoming messages with the participants on behalf of him in addition to his speech.

** Due to the last minute changes in his priorities, Zekeriya Coştu, Deputy Minister of Industry and Technology of The Republic of Türkiye, shared Minister of Industry and Technology of The Republic of Türkiye Mehmet Fatih Kacı's messages with the participants on behalf of him.



Barış Öney

Founder and Managing Partner, Globalturk Capital
and GPCA CEE Leadership Council Member and
Türkiye Representative

OPENING REMARKS

The investment landscape today is increasingly complex, marked by inflation pressures, climate urgency, political uncertainties, and escalating conflicts in various regions. Despite these challenges, Türkiye has emerged as a stable and resilient market, providing unique investment opportunities that continue to attract interest from the global private capital community.

After the recent national and local elections Türkiye now has a government led by a coalition that has been in power for more than 20 years and an opposition led local municipalities, which underscores the strength of Türkiye's democracy. This political stability contrasts sharply with many other markets where investors operate. Turkish government has been implementing a robust macroeconomic program focused on reducing inflation and stabilizing key indicators.

Over the past two decades, Türkiye has attracted more than \$200 billion in foreign direct investment (FDI), with Turkish companies investing \$65 billion abroad. In 2023, outbound FDI from Turkish businesses surpassed inbound FDI, reflecting the growing influence of Turkish firms on the global stage, creating a positive feedback loop for investment, trade, and tourism. Tourism remains a cornerstone of the economy, with Türkiye consistently ranked among the top five global tourist destinations, driven in part by the popularity of Turkish cultural exports such as TV series.

Private capital plays a vital role in Türkiye, representing approximately 15-20% of total FDI. This percentage is even higher when strategic investments backed by private capital are included. Türkiye's fund managers have demonstrated resilience, successfully delivering returns even amid





global volatility. Private capital is not only a funding source but also a means of fostering partnerships that drive cross-border growth, governance improvements, and operational performance.

The opportunity for Türkiye is clear with over 1.2 million SMEs registered with the Chamber, with more than 15,000 generating over €10 million in revenue and continuously supplying new companies into this pool.

Türkiye's start-up ecosystem for example, has expanded rapidly over the past seven years, particularly in sectors like e-commerce, fintech, and mobile gaming. The government's forward-looking initiatives aim to foster 100,000 tech ventures and establish 100 Turkish unicorns by 2030. However, a funding gap remains for many growing start-ups that require around \$2 million+ for scale-up. Addressing this gap by facilitating international fund access could further accelerate start-up success.

Global investment trends highlight energy transformation, climate change, generative AI, robotics, healthcare, food safety, and technology as focus areas. Türkiye, is the largest export-oriented industrial base between Germany and China, and already excelling in sectors, especially in industrials, healthcare, telecom, banking, e-commerce, and emerging technologies like fintech and gaming.

Türkiye's market, while resilient, faces structural challenges, particularly the disparity between capital availability and company size. The economy is largely composed of small and medium-sized enterprises (SMEs), which need additional support to grow and attract larger investments. Regional collaboration among general partners (GPs) and the creation of funds covering Central Eastern Europe, Türkiye, and MENA could open new investment avenues. Furthermore, acquisition strategies supported by government incentives, along with innovative financing solutions, could facilitate rapid consolidation within sectors and attract international investments.

Despite global and local uncertainties, Türkiye remains to be a proven investible and an exitable market for private capital even in the most challenging times since its inception some 28 years ago. Türkiye offers immense opportunities for both inbound and outbound investments. Its stable political environment, thriving private capital market, and robust entrepreneurial ecosystem continue to make it a prime destination for private capital. With the right support and strategic solutions, Türkiye's dynamic and adaptable business landscape presents significant potential for high returns.

The moment is opportune for investors ready to seize the future and capitalize on Türkiye's expanding market.



Ahmet Burak Dağlıoğlu

President, Presidency of The Republic of
Türkiye Investment Office

THE NEW FDI STRATEGY OF TÜRKİYE

Türkiye consistently delivered high growth rates over the past two decades and with the recent economic plans focused on price stability and inflation control, growth is expected to be moderate but aiming for a healthy 4%–4.5% in the medium term, still surpassing global averages.

Türkiye's exports are thriving, with recent figures indicating steady year-over-year growth, even amid softening European demand. Employment trends are similarly encouraging; Türkiye added 1.1 million jobs in the last 12 months, reflecting resilience in a dynamic labor market.

In line with these positive indicators, Türkiye's FDI strategy for 2024–2028 is set to increase the country's share of global FDI from 1% to 1.5%, with a focus on attracting high-quality investments and high-quality, high-end services industries. The emphasis is on integrating Türkiye deeper into global value chains.

Recent policy updates and incentives under the ambitious \$30 billion "Hit 30" program, prioritizes investments in semiconductors, green energy and e-mobility.

New flexible financing options and regulatory enhancements are now available for green projects.

Private capital regulations have been made flexible for cross border investments solidifying Türkiye position as an investment hub.

Technology ecosystem raised \$700 million across 390 deals in the first three quarters of 2024. The top-funded sectors include grocery delivery, fintech, cybersecurity, gaming and blockchain.

The Turkish Wealth Fund maintains its commitment as an LP, investing in local venture and private equity funds, with plans to scale up its investment commitments in the coming years.



International investors tend to compare Türkiye with the countries in the Central and Eastern Europe, Middle East and North Africa. Türkiye has been the



second largest country attracting FDI in this region for the last 20 years.

Türkiye, consistently exporting over 250 billion USD of goods and services, growing steadily thanks to its young population, continues to attract private capital to its major companies, SMEs and to its innovative venture tech companies.

Remarkably, Türkiye leads Europe in the number of pre-seed investments, with biotech, AI, health tech, agri-tech and sustainability among the most active verticals. Major transactions, such as Mubadala's acquisition of Getir and high-profile investments in fintech and cybersecurity, highlight Türkiye's increasing appeal as a destination for tech and innovation.





Zekeriya Coştu

Deputy Minister of Industry
and Technology

TÜRKİYE'S INDUSTRY AND TECHNOLOGY STRATEGY AND POLICIES

Türkiye successfully recovered from and capitalized on the pandemic by gaining an edge in industrial production. To put this into perspective, between 2020 and 2023 while the industrial production index decreased by 9% in Germany, 3.5% in Italy, 1.7% in France and 1% in the UK, the index increased by an impressive 19.7% in Türkiye.

While global FDI decreased by 16% 3 years following the pandemic, FDI to Türkiye increased by 20% during the same period.

YTAK program (Advance Loans Against Investment Commitment), which is designed to motivate local and international investors who are hesitant, to invest in Türkiye. Major breakthroughs are expected to happen in the fields of mobility systems, battery and chip technologies, solar cells, wind turbines, biotechnological medicines, next generation satellite technologies and the like.

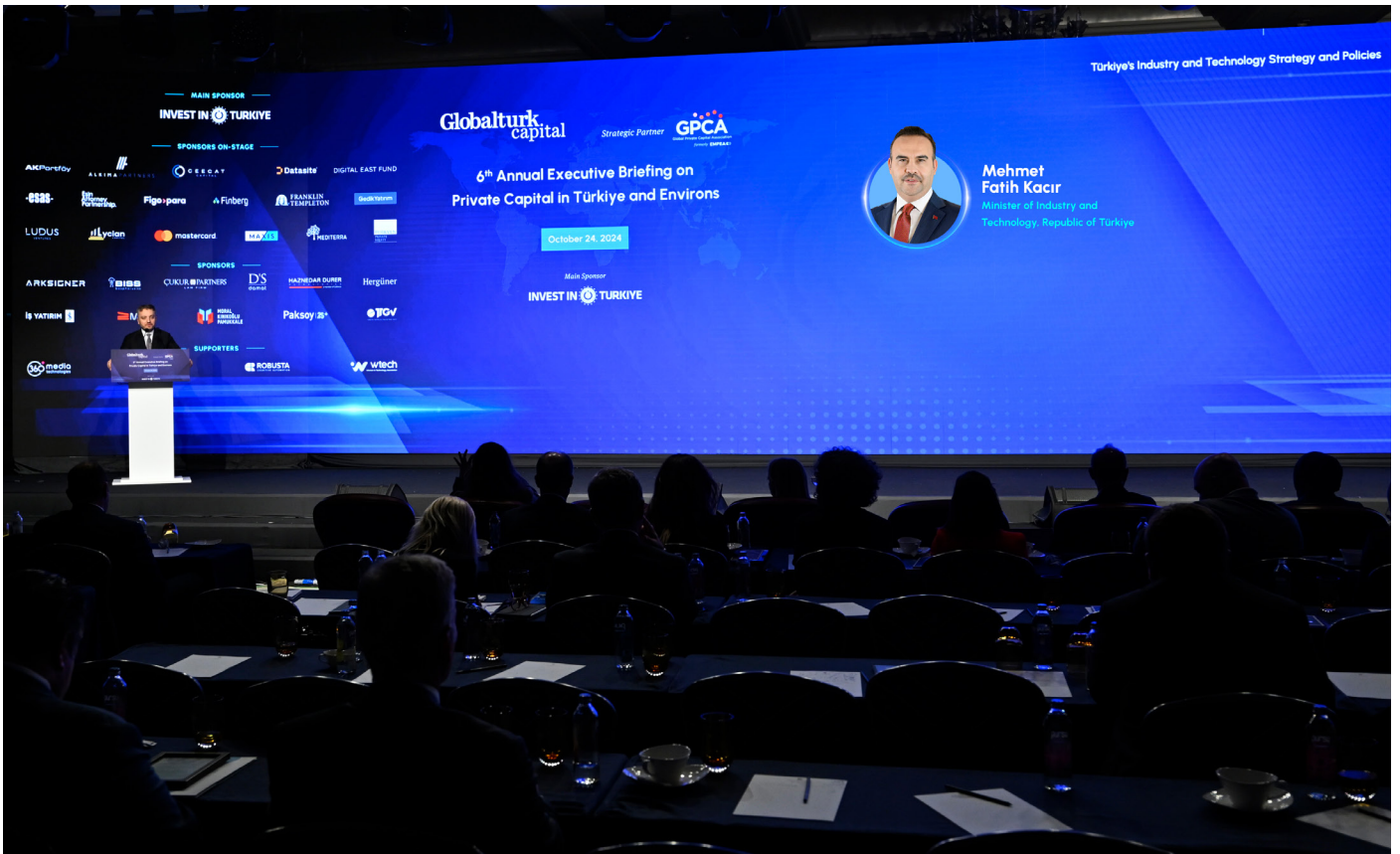
This program targets to provide long term financing support to investors over the next 3 years, where 10 billion US dollars is planned to be allocated to this program.

The Government also launched the HTI 30 (High Technology Investment) program, the largest investment program in the history of Türkiye. The plan is to

position Türkiye as the global R&D and technology production hub in seven key sectors by 2030. These sectors are semiconductors, mobility, advanced manufacturing, communication and space, healthcare technologies, digital technologies and green energy. Also, in collaboration with the World Bank, the Government launched the organized industrial zones project with a budget of 250 million Euros. This is expected to accelerate the green transformation.



Introduction of green and digital transformation support programs with a budget of \$450 million, further aims to direct investment incentives more effectively. Minister of Industry and Technology, has taken steps to ensure entrepreneurs to have access to adequate financial resources and infrastructure throughout a myriad of incentives.



Türkiye already allocated \$250 million for venture capital funds.

Türkiye didn't have a unicorn until 2019, but today have seven unicorns. The Government is aiming for 100,000 startups to emerge from Türkiye by 2030 generating 100 unicorns called Turkcorns (Turkish unicorn companies). This program in collaboration with the tech visa program aims to help and attract

startups both from within and from abroad.

Over the past 20 years, Türkiye has become a magnet for global investors. Before 2003 Türkiye was able to attract only about 0.2% of global foreign direct investments, with an annual average of \$1 billion. In the years following 2003 this figure has grown to an annual average of \$13 billion.





Jeff Schlapinski

Senior Director,
Research, GPCA

GPCA KEY RESEARCH HIGHLIGHTS

Commitments to private capital around the globe, have sharply declined, particularly in venture and tech sectors compared to private equity (PE), with overall activity remaining below 2021–2022 highs due to ongoing global uncertainties.

Liquidity remains tight, especially in Western Europe, with \$500 billion raised in the first half of 2024, primarily concentrated among large global managers investing in large caps rather than SMEs.

Deal activity continued to grow year-over-year in emerging regions such as Central and Eastern Europe, Türkiye, and Latin America, signaling a gradual recovery. Simultaneously in PE and venture spaces, U.S. market also faces growth.

Venture and tech investments have waned, with investor focus shifting to infrastructure and real assets, especially digital infrastructure. Digital infrastructure has become the largest area of investment within this shift.



Investment levels in markets are recovering, with capital raising from \$7.5 billion in Q1 to \$9.6 billion in Q2 of 2024, highlighting renewed interest and trust in Türkiye and the broader CEE region.

Private capital investments in Central and Eastern Europe (CEE), Türkiye, and neighboring regions are on the rise. So far, \$2.8 billion has been invested, with expectations that this amount may double by year-end.

Large Pan-European funds have accelerated investments in Central and Eastern Europe, targeting sectors like enterprise software, IT, consumer, digital platforms and industrial manufacturing. CEE and Türkiye are well positioned to benefit from new and ongoing near-shoring trends in the global supply chain.

Exits totaling around \$5 billion indicate investor returns in region. Poland's Żabka Group's \$1.6 billion IPO (Europe's largest chain of convenience stores), stands as the largest in Poland, which is a sign of improving conditions for private capital in the region.



Research team at GPCA concluded that Funds from the UAE, Saudi Arabia, Qatar, Bahrain, and Kuwait are providing and with the increased appetite from the Saudi investors it could continue to provide much needed liquidity and exit opportunities for private capital investors.

Türkiye's macroeconomic indicators over the last 12 months show renewed growth and investor optimism, buoyed by the country's ongoing monetary normalization efforts, which creates a favorable outlook for investment.

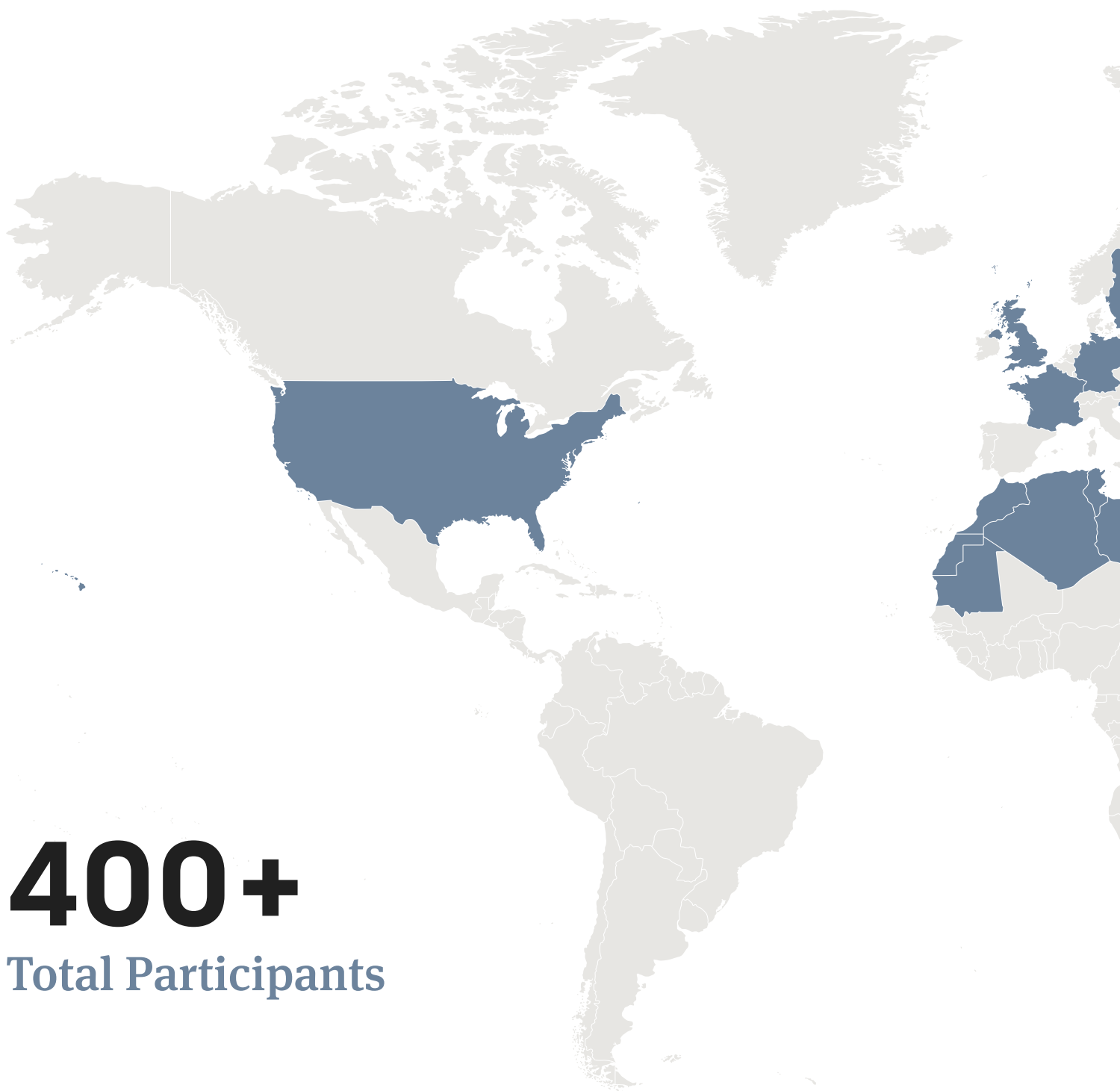


PARTICIPATING FIRMS

- ACCA Türkiye
- ACT Venture Partners
- AD Management Consulting
- ADA Global Partners
- AECO Law Office
- AI Startup Factory at Isbank Group
- AK Asset Management
- AK Law Firm
- Akbank
- Akol Law Firm
- Alkima Partners
- Alpha Credit Advisors
- ALYS Capital Partners
- Amarkon Group
- Amethis
- Apex Group
- Apis Partners
- ArkSigner
- Arya Ventures
- Astra Capital / Taxim Capital
- Ata Invest
- Atlas Portfolio management
- ATP Capital
- Aydin Holding
- Aygen Capital Market and Financial Advisory
- Balcioglu Selcuk Ardiyok Keki Attorney Partnership
- Berik Ventures
- Beykoz University
- Bezen Attorney Partnership
- Bilyoner
- Boğaziçi Ventures
- Borsa İstanbul
- BosphorusISS
- Caria Financial Advisory
- CEECAT Capital
- CELOX
- Centrum Turkey
- Ciner Group
- Citibank A.S. Türkiye
- Colakoglu Group
- Colendi
- Collective Spark
- Collyer Bristow LLP
- Çalık Holding
- Çelen Corporate Property Valuation & Counseling Inc.
- Çukur & Partners Law Firm
- Datasite
- DCP
- Decacorn Angels
- DEG
- Delivery Hero
- Deloitte
- Deniz Portfolio Management
- Dentakay
- Development & Investment Bank of Türkiye
- DIAS Companies Group
- Digital East Fund
- Diligent Capital Partners
- Doğan Holding
- Earlybird Digital East
- EBRD
- Empo Otomotiv
- Erataklar Management Advisory
- Esas Holding
- Esin Attorney Partnership
- Esor Investments Holding GmbH
- EY (Ernst & Young)
- Fibabanka
- Figopara
- Finberg
- Fintexio
- FMO
- Forsun Company
- Franklin Templeton
- Future of Turkish Tech
- Gayzer Capital
- Gedik Investment
- Gemicioğlu Law Firm
- Gen Türkiye
- GGSoft
- GKC Partners (White and Case)
- Global Citizenship & Residency Solutions
- Global Private Capital Association (GPCA)
- Globalturk Capital
- Hedef Holding A.S.
- Hergüner Bilgen Üçer Law Firm
- Horizon Capital
- IFC
- Innova Capital
- Inter Patent

- Inveo Ventures
- IPFS
- Istcapital
- idacapital
- İGDAŞ
- İstanbul Holding
- Janus Henderson
- Karadeniz Holding
- Kaya Family Office
- Kayalar Chemicals
- Kentbank
- Kirkoswald
- Kocer Family Office
- Kontrolmatik
- Konveyor Group
- KPMG
- Kurt And Partners Law Office
- Kuveyt Türk Portfolio Management
- Küçükçalık Textile
- Livemedi
- LSEG
- Ludus Ventures
- Lycian Capital
- Malaz Capital
- Manifesto
- Marmara University
- Mastercard
- Maxis Private Equity
- Mediterra Capital
- Metis Ventures
- Mirsis Information Technologies
- Molten Ventures
- Moral Kınıkoğlu Pamukkale Attorney Partnership
- MPEQ Limited
- MV Holding
- NBK Capital Partners
- OGGUSTO
- Orka Holding
- Osmanlı Investment
- Paksoy Law Firm
- Palgae
- PBA (Inci Holding)
- PCP
- Pekin & Pekin
- Pekin Bayar Mizrahi Law Firm
- Pera Capital Partners
- PiKare SKYSOURCE
- Plan-S
- Poleks Gıda
- Presidency of The Republic of Türkiye Investment Office
- Progen Seed Inc
- Pruva Corporate Consultancy
- PwC
- QFB, Leshabank
- QNB
- Rasyotek
- Re-Pie Asset Management
- Revo Capital
- Sanko Holding
- Saya Holding
- SDS Energy
- Seatech
- Simple Solutions
- SirketOrtagim
- Somay Law Firm
- Sparta Portfolio Management
- SRP-Legal Law Firm
- Standard Chartered
- Starpay
- Startupfon
- Sterling Atlantic LLC
- Tatış Grup
- Taxim Capital
- TBS Investment Management Company
- TeacherX
- Technology Development Foundation of Türkiye
- TEDİ
- TIBAS VENTURES
- TKYB
- Trans Capital Finance
- Treeo VC
- Trikon Advisors
- Trio Investment BV
- Truffle Capital
- TSKB
- Tunalı Trade and Consultancy
- Turkven Private Equity
- Türkiye Wealth Fund
- TÜSİAD (Turkish Industry & Business Association)
- Ulusoy Construction
- UPDATE Communications Consultancy
- V22 International Advisory Joint Stock Company
- Vestel Ventures
- X12 Capital
- Yıldırım Holding

COUNTRIES OF PARTICIPATING FIRMS

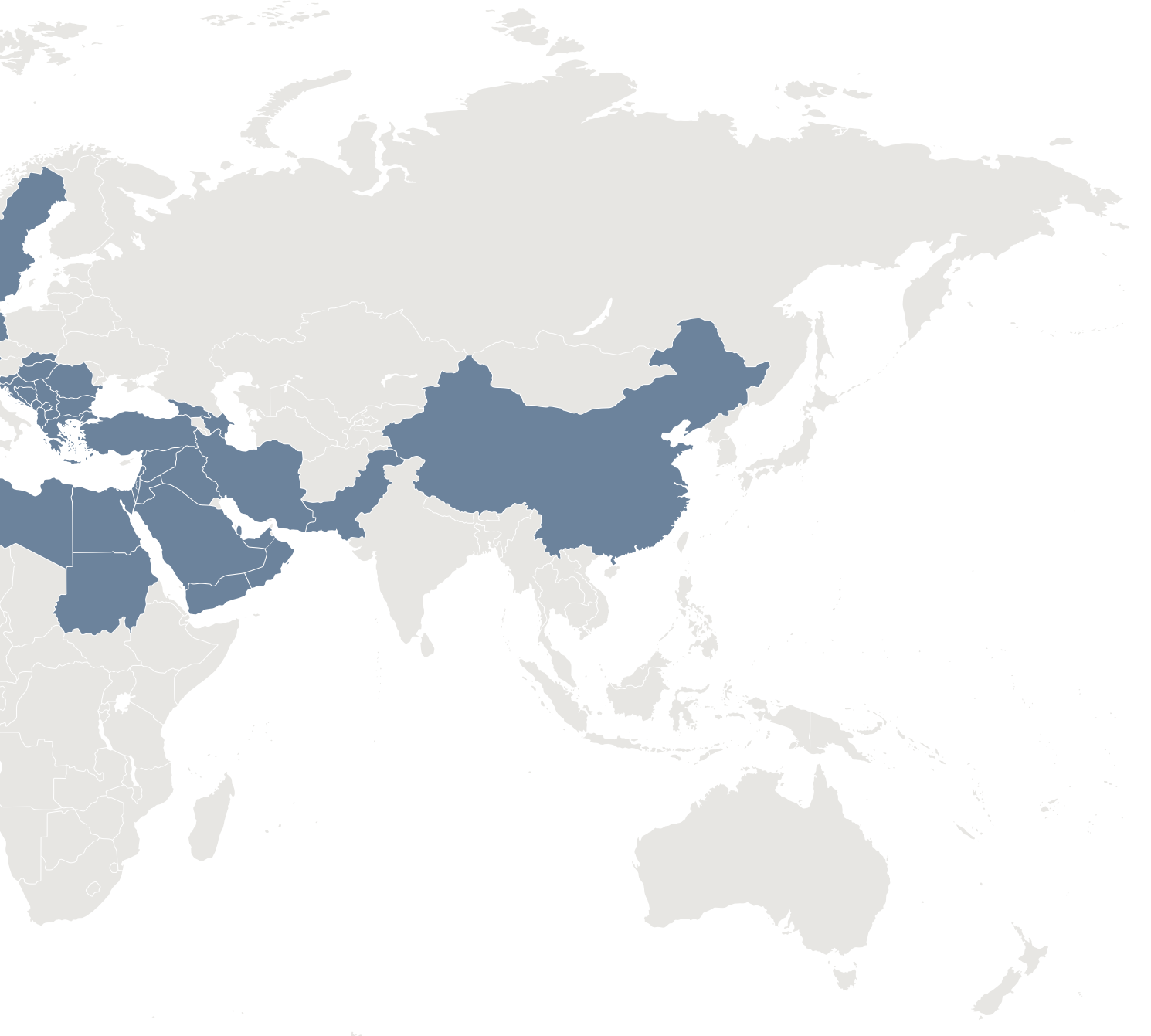


400+
Total Participants

200+
Investors from DFIs, LPs, Family
Offices, GPs (Private Equity,
Private Credit, Venture Capital)

100+
Advisors from Legal,
Investment Management,
Financial Services, HR

50+
Corporate
Representatives



20+

NGOs, Academy, Business
Association Representatives

20+

State
Representatives

10+

Media
Representatives

SURVEY RESULTS

Notable 89% of respondents reported having current investments in the country, with 41% indicating a total asset value of less than \$100 million, while 48% hold assets exceeding that threshold.

Interestingly, when asked about their plans for 2025, 47% of investors expressed intentions to exit some of their investments, although 32% are to remain.

In terms of risk perception, a majority (70%) deem investing in Turkey as tolerable, while concerns primarily revolve around geopolitics (54%) and currency predictability and stability (25%).



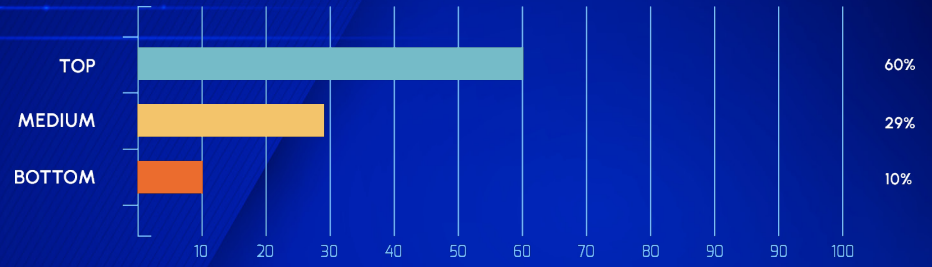
The survey also revealed that technology and industrials are the top sectors of interest, each attracting 31% of investment focus. Furthermore, Turkey stands out as a preferred market for 68% of investors, significantly ahead of other regions.

Environmental, social, and governance (ESG) criteria play a critical role in investment decisions, with 43% of participants considering them very important.

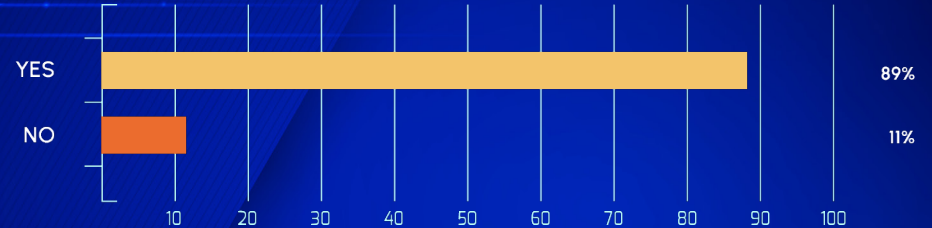
75% of investors viewed Türkiye as a tolerable risk country for the next 12 months, while last year, this perception was 70%. The percentage of investors categorizing Türkiye as low risk remained stable at 4% last year, while there is a 5% rise in those who see it as low risk. However, those considering Türkiye high risk decreased from 26% to 20% in 2024, meaning the risk premium has decreased slightly. Regarding asset under management, 60% of investors ranked Türkiye in the top tier this year for investing, compared to 40% last year, indicating an increased confidence in the country's investment potential.

Among the surveyed investors, 53% stated that they invest in growth-stage companies, while 31% indicated that they invest in late-stage companies. This result indicates that investors are more focused on growth-stage companies, as these companies offer high growth potential while maintaining a relatively manageable level of risk.

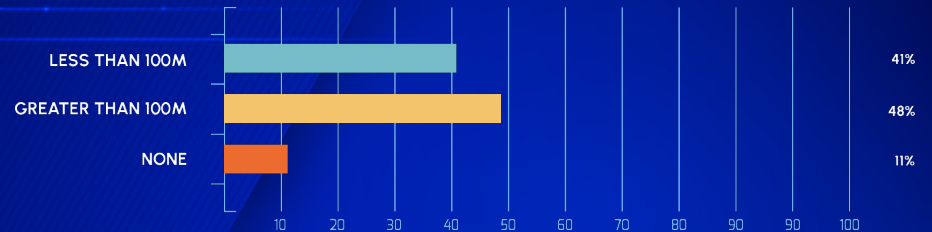
Where does Türkiye rank within your investment portfolio in terms of AUM?



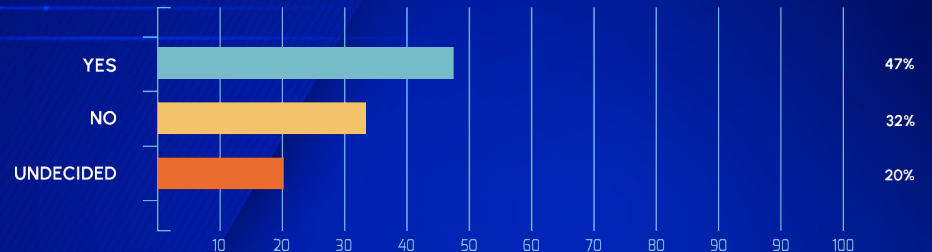
Do you currently have any investments in Türkiye?



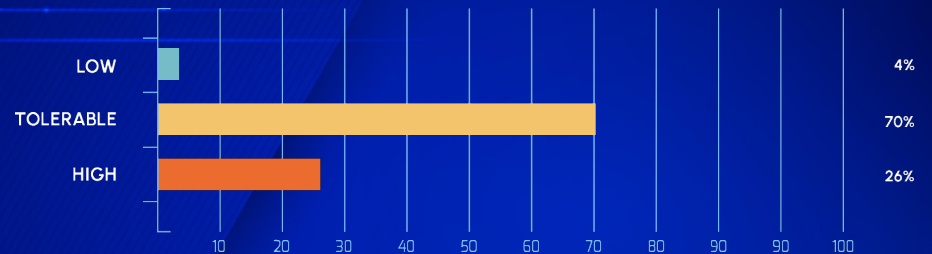
What is the total value (AUM) of your investments in Türkiye?



Do you plan to exit from any current investments in Türkiye in 2025?



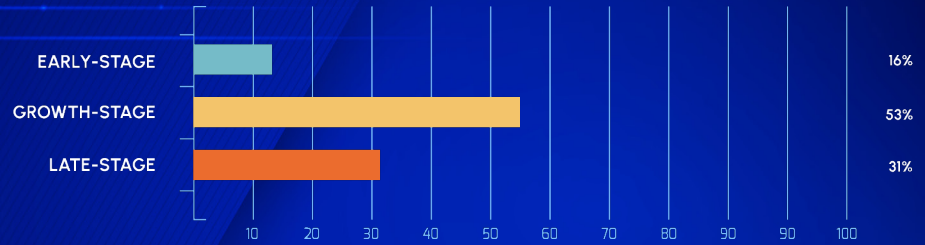
How risky do you see investing in Türkiye in 2025?



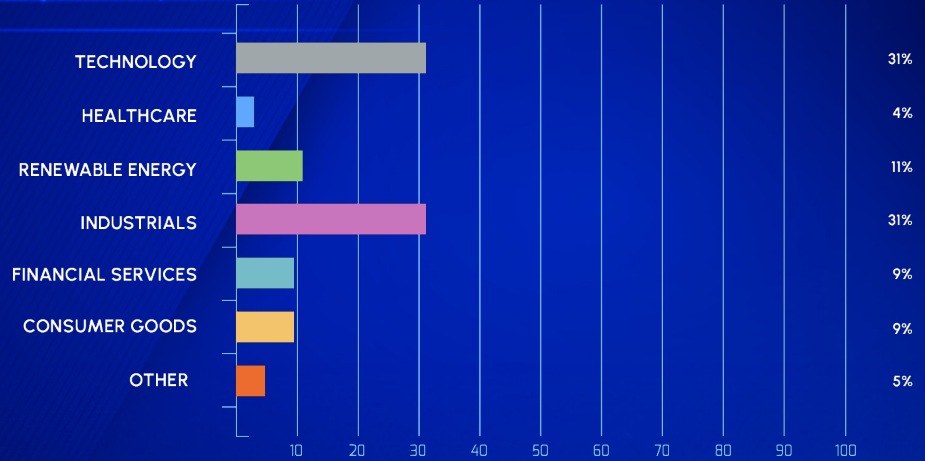
What is the biggest concern for your investments in Türkiye in 2025?



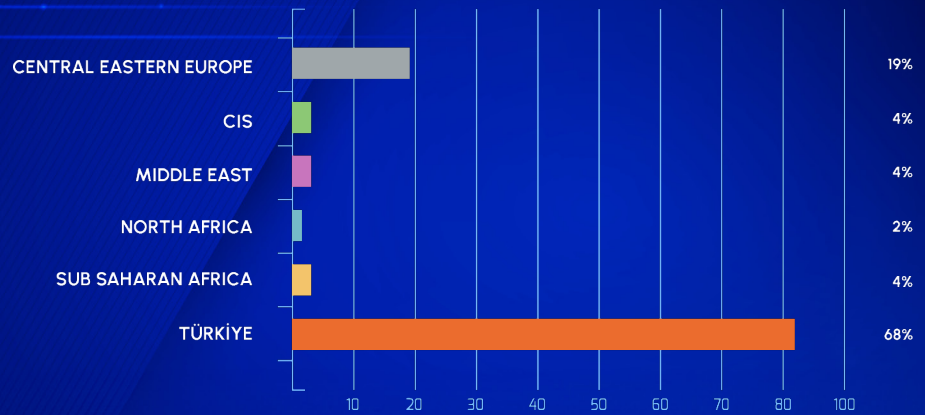
What is your preferred investment stage?



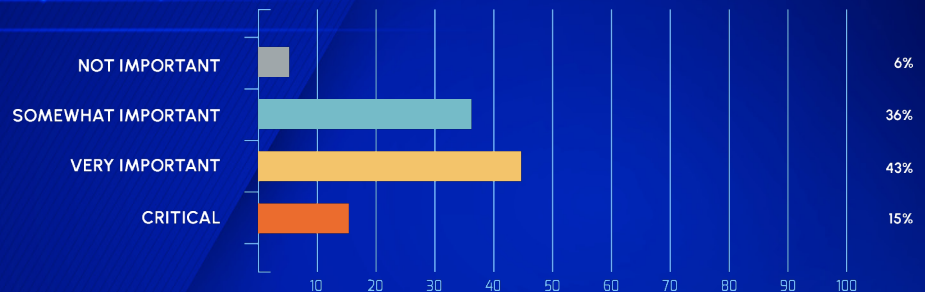
Which sectors do you currently prioritize in your investment portfolio?



What geographical markets are you most interested in 2025?



How important is ESG (Environmental, Social, Governance) criteria in your investment decisions?



Survey Results

Certificate of Appreciation



As part of “Globalturk Capital’s 6th Annual Executive Briefing on Private Capital in Türkiye and Environs,” The Woman in Technology Association, in collaboration with Robusta, has established a 20-student class on “Robotic Process Automation (RPA)” in your name for young girls studying in STEM fields.

Zehra Öney

Woman in Technology Association
Founding President

As part of “Globalturk Capital’s 6th Annual Executive Briefing on Private Capital in Türkiye and Environs,” The Woman in Technology Association, in collaboration with Robusta, has established a 20-student class on “Robotic Process Automation (RPA)” for young girls studying in STEM fields. In this class, the training of 1 student will be supported in your name.

Yasemin Bedir

Woman in Technology Association
Vice President



Keynote Interview



Barış Öney

Globalturk Capital, GPCA

Türkiye is EBRD's largest investment market, mainly through debt financing. EBRD's equity funds portfolio for Türkiye includes €575 million, with a similar amount in direct equity of which 10% is directed to venture capital.

EBRD's venture capital practice with a €250 million fund, provides funding for Series A onwards, typically around €5-10 million per investment, though could go up to €20-25 million, while direct equity team targets more mature opportunities ranging from €25-€100 million. Additionally, EBRD equity funds strategy, as an LP, includes investments in both mature and venture funds.

EBRD, takes minority positions but emphasizes governance and encourages active engagement in its investee companies rather than staying as a passive stakeholder.

Türkiye is an SME based country, which is very good from certain perspectives, but it makes it difficult to attract bigger funds, who invest hundreds of millions of dollars. DFIs take the role of investing in below hundred-million-dollar tickets. When considering investment opportunities, DFIs focus on those with a long-term perspective, typically 12 to 15 years. This allows investors to effectively navigate investment cycles. Exits have been challenging, impacting fundraising efforts. Limited Partners (LPs), like DFIs, prefer to see successful exits before committing

additional funds. The slowdown in mergers and acquisitions (M&A) activity and the lack of initial public offering (IPO) exits, have resulted in accumulated assets without capital release, causing investors to understandably hesitate and wait.

However, Türkiye, alongside Eastern Europe and MENA, regions is seeing a rise in investment opportunities and higher deal volumes, signaling interest and trust from investors. The region having smaller companies makes it more resilient to economic and political fluctuations, offering a stable environment for investors at the same time.



Dirk Werner

EBRD



EBRD's commitment to ESG principles appeals not only to Gen Z and others by addressing social issues, but its emphasis on financial inclusion, regional inclusion, and female representation on boards boost company reputations, thus increases revenues.

Türkiye, with its entrepreneurial culture and young talent pool, is a promising market, especially in the globally oriented software sector. The global scale of AI investments is high and Türkiye is following them very closely with its promising AI and tech innovations.

Collaboration between the General Partners (GPs) regionally, i.e. forming club deals, would increase the number of opportunities.

Ideally, DFIs and certainly EBRD like to invest minority into funds, but at times where commercial LPs are not yet mobilized, they take increased roles.

A 12 to 15-year time horizon is indeed very beneficial. However, for new commercial investors to come in, it's crucial to see two to three years of stability—both political and regulatory—before making commitments.

Rise of family offices in Türkiye, contemplating private equity with their active stance in the business environment presents unprecedented opportunities.

EBRD prefers to invest in sectors, which are less vulnerable to currency risks, particularly export-oriented and tech industries that benefit from global demand.

Türkiye remains the largest market for the EBRD, and the optimism is there for the future, both for Türkiye and Central and Eastern Europe. The MENA region is becoming more significant for deal-making, with increasing cross-border transactions. The market and the opportunities are growing. EBRD continues to invest across all industries and maturity stages, maintaining patience. Systemically, Türkiye is one of the strongest markets, making it an excellent time to invest.



GROWING VENTURE TECH INVESTMENTS AND CORPORATE VENTURE CAPITAL INVESTMENTS IN TÜRKİYE AND ABROAD

- MODERATOR

İsmail Esin - Esin Attorney Partnership

- İhsan Elgin - Finberg
- Göktürk Işıkpınar - Ak Portföy
- Barış Karakullukçu - İşbank, 100th Year Venture Capital Fund
- Baturay Kaya - Digital East Fund
- Bernard-Louis Roque - Truffle Capital
- Ozan Sönmez - Molten Ventures

- Venture tech investing is quite challenging. It is important to cover all stages of venture investing to be successful from start-up, early and late stage to fund of funds if possible. In Türkiye, there are VCs and PEs but no one in between.
- Apart from venture capital funds, large banks and asset managers also started to get interested in venture tech investments in Türkiye and allocated large amounts. Today close to 400 local venture funds exist in the market.
- Last year 80% of the venture capital exit transactions came out of 9 companies.
- Since 2022, 90 corporate venture capital funds were established, following government's tax incentives. Therefore, the ecosystem is very active and vibrant.
- Characters of entrepreneurs are very critical. If founders lack confidence, have ego issues, or engage in unethical practices, it won't be possible to invest or continue to stay as an investor. The founders need to work with the VCs to grow their businesses not just organically but via acquisitions, if need be, so they need to be talented individuals.
- Investors expect founders to take their companies global, especially to the US and UK, where there are significant execution and team risks. It is a challenge to manage such risks especially since most venture capital funds, take minority positions in the companies they invest in.
- Also, investors and entrepreneurs should be highly adaptive, when it comes to changing business and

global dynamics. In the US, there were repeat entrepreneurs, who repeatedly create and sell companies primarily on multiples of revenues. However, in Türkiye, companies are more solid and generate positive EBITDAs and they are valued at EBITDA multiples rather than revenue, providing comfort to investors.

- Being in Türkiye as a company, growing globally, has the advantage of serving both west and east from US to Japan, to Middle East and other regions, where investors like such situations.



- Establishing and managing a competent board is crucial. Boards should challenge and support businesses through times of volatility, not just serve as passive advisors.
- Türkiye has a solid foundation in venture capital and private equity, but the "mid-segment" lacks funding. Investors investing in all critical segments are key to ensure scale-up of growing start-ups.

- Investing in companies with strong corporate governance and unified teams is essential to overcome challenges in team cohesion, market competition and execution.
- It is crucial to invest fast into a venture tech start-up but be diligent as in the case of a mature company. Collaboration among funds is needed to uplift businesses that compete on a global scale.
- Funds investing in Türkiye and in the region acknowledge the potential, but there is a shortage of capital

despite flourishing of the ecosystem and the wealth of entrepreneurial talent.

- The world is rapidly changing, particularly with advancements in AI and increased computing power. These developments, along with the necessary investments in data centers and energy infrastructure, could exacerbate income inequality. Those without financial resources will struggle to invest and leverage these technologies. It is crucial for the Turkish ecosystem to stay competitive by fostering technology companies that can succeed globally.



VENTURE TECH SUCCESS STORIES

- MODERATOR

Agah Uğur - Boğaziçi Ventures

- **Nevzat Aydın** - Gen Türkiye
- **Koray Bahar** - Figopara
- **Volkan Biçer** - Ludus Ventures
- **Bülent Tekmen** - Colendi



- Start-ups who succeeded in growing their businesses with investors have common themes. Having the right growth mind-set, meaning prioritizing development of a scalable, repeatable product over short-term financial gains, selecting an investor not only for capital but strategic guidance and industry expertise were crucial.
- In the old days, the start-up ecosystem was not there and there were no venture capital funds investing start-ups or scale-ups so the initiatives had to struggle for as long as 8 years before getting an investor.
- Throughout the journey, resilience, adaptability, not giving-up even after hundreds of trials for developing the business and fund raising are essential, but going global is a key. A team with the right technical expertise, coupled with a business acumen, motivating their teams even in the darkest moments and the funding provided by the right investor is a testament for achieving sustainable growth globally.

- There are serial entrepreneurs in Türkiye, and such business leaders are emerging in gaming and fintech verticals among others.

Gaming:

- The gaming industry specifically, emerged as a particularly promising field, with Türkiye increasingly recognized as a key global hub. It is only the 2nd after UK in Europe with main centers in Istanbul and Ankara with more than 800 gaming studios.
- The rapid growth in gaming ventures, fueled by a combination of young talent, supportive government initiatives, and an entrepreneurial spirit, has led to success stories within a short period.



- More than \$3.5 billion of exits were realized, where some ventures being exited in just 18 months with over \$200 million valuations after being started-up with only \$300,000 of seed money.

- Global venture capital and private equity investors are co-investing in gaming companies to take advantage of the clear opportunities, which is supporting the growth of the industry. The industry's strong fundamentals and success stories have been attracting global investors into this key sector.
- Thematic funds utilizing their industry expertise, network, and access to capital, who invest in this sector can play a crucial role in empowering Turkish gaming startups to scale and expand their reach globally.

Fintech:

- Banking industry is being transformed and many opportunities arise in the areas of primarily lending and payments, where especially SMEs take advantage of
- There is a transformative potential of fintech and artificial intelligence in driving innovation across industries. Emerging ventures are leveraging AI to create more efficient financial solutions, aiming to address the needs of small and medium enterprises and the broader market. The emphasis on “smart money,” where investors provide strategic value beyond funding, was highlighted as essential for sustainable growth and scalability.
- Shareholder structure is very important in ensuring successful exits. Having the right private equity investors, like global giants, can expedite the due diligence process and add significant value during exits.
- While Türkiye has abundant opportunities for growth, aligning investments with the right strategic planning, execution, and partnerships will be key to unlocking its full potential.





Merlin Piscitelli

Chief Revenue Officer EMEA,
Datasite

M&A TRANSACTION LANDSCAPE IN TÜRKİYE, CEE AND MENA REGIONS, CURRENT PIPELINE AND TRENDS

- The foundations for M&A are set for more exciting times in terms of volumes and values that are going to occur in this landscape.
- Last year, globally 14,000 transactions were completed on Datasite Platform. This year, well over 15,000 transactions were already completed on the Platform.
- Since the pre-pandemic era, M&A activity in Türkiye, Central and Eastern Europe and Middle East regions have been marked by lower numbers of deals and some hesitancy among investors.
- For Middle Eastern companies, significant capital often flows outside the region, while limited transaction volume domestically has dampened investor confidence.
- Historical M&A transaction numbers in Türkiye were around 400 annually, which have fallen to



approximately 150. However, new M&A activity shows a positive trend, with a 7% increase in project kickoffs.

- A similar dip occurred in the Middle East, but there have been signs of a big recovery in the CEE part of the world. The deals in the next 6-9 months in CEE and SEE expecting to close, primarily come from TMT, be it gaming or FinTech and industrials, as well as chemicals being quite dominant.
- Recently, it has been the buyer's market rather than sellers, which can easily be monitored from the due diligence periods. Due diligence periods have increased regionally, with Türkiye extending from 25 days to 186 days on average, and in MENA this period is 259 days now.
- The historically high successful deal rate of 60-70% post-due diligence globally, has recently declined to 47%. In the region covering CEE,



Türkiye and ME, the success rates have dropped to 30%, meaning that 30% of those projects are not closing with a successful outcome.

- Despite this, Datasite remains optimistic. With reduced business costs and an influx of renewed investor interest, the company foresees a more favourable investment climate taking shape in the region.



MENA – TÜRKİYE CROSS-BORDER INVESTMENT AND EXIT OPPORTUNITIES

- MODERATOR

Serkan Kızıl - Taxim Capital / Astra Capital

- **Hassan Al-Jeshi** - Malaz Capital
- **Suhaib Al Mabrouk** - QFB, Leshabank
- **Laurent Demey** - Amethis
- **Yaser Moustafa** - Janus Henderson - NBK Capital

- Middle Eastern funds and asset managers, as well as Sharia compliant financial institutions have started to explore opportunities in Türkiye opportunistically, as well as other geographies for diversification recently. Diversification also includes investing in non-oil & gas assets.
- They invest into companies at different stages of investment needs, from venture and early to late-stage growth equity, buyout and the like.
- North African and African funds have started to show interest to Türkiye from collaboration and exit point of views.
- The global trend where public asset managers getting into the private capital market has found itself in the Middle East recently, where a US public asset manager acquired a GP who is active in private markets.
- There has been a growing trend to invest in the MENA region, since it is a unique region, with over 500 million people contributing more than \$5 trillion in GDP and growing at over 3% annually. This offers numerous investment opportunities, especially with 55% of the population under 30, indicating significant market and growth potential. Technology plays a key role, evidenced by developments in the GCC countries like Qatar's World Cup and the UAE's mega projects. Infrastructure investments in roads, airports, tourism, hospitality, healthcare and education are crucial, along with considerations for ESG, Green Cities, and smart cities.
- Türkiye has a lot to offer in terms of inbound investments into MENA and at the same time, since Türkiye's investment themes align quite well with MENA's thematic investment interests, it started to gain interest from MENA investors.
- Every country in the region has different dynamics and therefore different investment strategies are needed. For MENA investors, Türkiye serves as a bridge to Europe due to its geographic location and export capabilities, being in the top 20 economies with well diversified businesses.
- Sharia-compliant investment products are gaining traction, reflecting interest from Islamic finance sectors.



- Investors are encouraged to explore opportunities in fast-growing, export-oriented Turkish manufacturing businesses, where Türkiye is a great hub with excellent logistics and digital infrastructure. Building local expertise, along with joint ventures, investors could leverage Türkiye's position as a hub and a gateway to Europe and Asia alike.
- History, culture and religion should not be overlooked especially considering history of the region with Türkiye. Türkiye always had and will continue to have opportunities that are sharia compliant.
- With family offices and governmental organizations supporting initiatives with a Turkish emphasis, there is a greater chance for joint ventures and cross-border transactions.
- Türkiye has a lot to offer, provided that it aligns with MENA and GCC's investment thesis i.e., tech, healthcare, export-oriented manufacturing, textiles, construction, food, and agri, while showcasing, stable economic policies, with strong government backing. There is also a strong appetite for Turkish corporates investing in MENA.
- Saudi sovereign wealth fund adopted a regional approach, seeking exposure across sectors and geographies to broaden their portfolios and for that purpose invested in MENA GPs. This multi-sector strategy is driven by a desire to move beyond traditional oil and gas holdings, expanding into renewables, healthcare, and retail—all of which they have previously entered and are now scaling. A similar approach would be beneficial for Türkiye.
- Investors in the GCC and MENA are attuned to the opportunities within Türkiye, even for those unable to make direct investments; the country is seen as a valuable market with solid exit options.
- Beyond energy, GCC funds are actively pursuing investments in hospitality, manufacturing, education, healthcare, and aviation which are all critical sectors for the region's rapidly growing cities. A rising middle class, paired with expanding tech and infrastructural developments, signals a durable foundation for diversified, cross-sector investments.
- Türkiye needs to bolster economic stability and predictability, especially in terms of currency fluctuations. Türkiye's position as a strategic bridge between Europe and Asia, along with its already established goods and services and Sharia-compliant offerings, appeal as a high-potential economy with a young, dynamic population and diversified economic sectors.
- Strengthening Türkiye's ties with the MENA and GCC offers a two-way benefit. Cultural, historical, and religious connections grant Türkiye unique leverage to attract support and collaboration.
- Government incentives and support from family offices plays a vital role in further enhancing investor confidence meanwhile attracting them.
- Challenges, including legal obstacles, currency volatility, and macroeconomic factors, though can be balanced-out by investing in export-oriented industries and rapidly growing businesses, investors need political and economic predictability to feel comfortable in their investments.



EURASIA – TÜRKİYE CROSS-BORDER INVESTMENT AND EXIT OPPORTUNITIES

- MODERATOR

Jeff Schlapinski - GPCA

- Yasemin Bedir - Mastercard
- Didem Ilgaz Anıl - CEECAT Capital
- Krzysztof Kulig - Innova Capital
- Alex von Sponeck - Kirkoswald
- Denys Sychkov - Horizon Capital

- Central and Eastern Europe (CEE), particularly Poland, Romania, Ukraine, and the Baltics, along with Southeast Europe, Central Asia, and the Caucasus, offer numerous opportunities. Investors have specific strategies and mandates for these countries, with many cross-border possibilities among each other and Türkiye.
- Key investment themes in the region are driven by global economic shifts, technological transformation, evolving customer preferences, and sustainability. Despite recent fundraising challenges due to macroeconomic conditions, the region remains resilient for future growth.
- Three investment verticals currently are technology and digital innovation, energy and green transition, logistics and supply chain in the region. Investors in the region also prefer investing in high growth industries like niche manufacturing, business and financial services, healthcare, consumer goods and services to diversify their risks.
- The venture capital and startup ecosystem in CEE and Türkiye is primarily focused on technology-driven innovation, including Software as a Service, artificial intelligence, FinTech, gaming, e-commerce, and delivery. According to Mastercard, significant growth in these segments, is expected to establish CEE as a major hub for innovation.
- Hands-on management approach is almost a must in the region. But most founders today are looking for partnerships to grow rather than exiting fully in any event. Companies in the region, such as in Romania, Poland, and Slovenia are now targeting the Western European market and other developed markets. These companies seek private equity funds not only for capital but also for expertise in international growth as well as in mergers and acquisitions (M&As).
- Private credit investors on the other hand, lend money, sometimes with interest only period of 2-3 years and then principal payments to kick in not leaving the entire principal payment to year 5. Therefore, the preference goes to larger hard currency generating companies who could pay such debt over the years, without relying on an exit event. The target is to earn mid-teen returns with ticket sizes between \$20-100 million.
- In some other markets like Brazil, the Brazilian private credit market has developed between \$7 and \$10 billion in domestic private credit funds, fueled by Wall Street returnees, Brazilian family offices, and asset management branches of Brazilian banks. In Türkiye, this sector is just beginning to emerge, with numerous opportunities ahead.

- Türkiye is also seen as a safe haven for moving operations into Türkiye especially for countries who are suffering from wars in the region.
- In countries like Kazakhstan, Uzbekistan and Georgia, companies not only need financial support, which in those countries, there are many governments financial incentives, but more so mentorships, business development and access to networks, accelerators, and incubators, experience and technical support to grow their companies especially start-ups and scale-ups, as well as SMEs.
- Türkiye has a very large ecosystem still flourishing, filled with skilled labor and also cutting-edge software capabilities, where companies could go beyond borders to expand.
- A positive long-term outlook is projected for Türkiye technology and especially its FinTech sector. The shift towards digital and financial services remains crucial for sustainable growth, positioning Türkiye as a competitive FinTech hub with its government incentives supported by enhanced regulatory policies.
- A strong emphasis on international growth, both within the region and globally, will play a pivotal role in accelerating the fintech development driven by digital adoption and positioning Türkiye as a leader in this sector.
- Investors are encouraged to utilize leveraging regional competitive advantages by diversifying their portfolios and mitigating market risks throughout the entire Eurasia region.
- Türkiye's banking sector, and local capital markets often struggle to meet the growth requirements of the economy, which poses substantial opportunities for private capital to fund the gap. In addition, the absence of domestic private lending funds makes Türkiye attractive for private credit funds as well.
- The region, though has its own challenges, \$350 million funds were able to be raised even for Ukraine from all over, including Japanese institutions, highlighting trust and opportunities for cross-border trade and business expansions globally. Ukrainian exporters especially in IT services are being recognized in terms of their unique prospects brought forward by the nation's current unrest, is appealing for investors.
- In addition, recently there has been a shift towards mobilizing new sources of capital in Central and Eastern Europe, with notable contributions from Poland's largest insurance companies and high-net-worth individuals. This could be replicated in other countries, where it also is a big trend in Türkiye



- Funds in the region demonstrate disciplined approach in deploying and exiting investments, resulting in tangible results in maintaining investor commitment.
- Investors are frequently apprehensive due to media stories and perceptions of instability in the region, making financing attempts difficult. But due to the region's attractiveness and specifically for Türkiye extensive investment ecosystem, infrastructure, resilience and highly qualified workforce, attention is still there for Türkiye and for the region.
- Better representation and publicizing Türkiye before the global markets and fixing its image, would be extremely important to attract investors.
- Cross-border expansion opportunities via acquisitions are increasingly evaluated based on the potential for both cost and revenue synergies in the region. Central and Eastern Europe and Türkiye are positioned well for benefiting from near-shoring and friend-shoring trends, which has the potential to take advantage of the synergies for future growth



NEW GLOBAL INVESTMENT STRATEGIES OF DFIS/LPS AND THEMES FOR TÜRKİYE AND ENVIRONS

- MODERATOR

Barış Öney - Globalturk Capital & GPCA

- **Anne Fossemalle** - EBRD
- **Oliver Polednick** - DEG
- **Jaap Reinking** - FMO
- **Nicholas Vickery** - IFC

- Reflecting on the previous year's discussion, it was noted that significant developments in government policies and investment strategies had reshaped the landscape.
- DFIs in the panel have been investing in Türkiye for more than minimum 15 years with hundreds of millions of dollars on equity with Türkiye-only and Türkiye as part of the region; and over billions of dollars in debt.
- Investment returns in Türkiye inclusive of the regional Earlybird Digital East Fund, have outperformed Central & Eastern Europe. If excluded, the returns are a bit lower than CEE and at par with some other regions of the world i.e. Southeast Asia.
- Venture capital notably outperformed in Türkiye relative to other markets in Central and Eastern Europe.
- DFIs made quite good returns like minimum net 8.5% per annum in Türkiye over the years and recycled good amount of capital, which was not possible in other parts of the world like in Africa for example. Türkiye currently represents top, if not substantial share in the DFIs funds' portfolios.
- Successful fund commitments were made in the first half of 2024, including from DFIs who have not been active almost since the pandemic, with optimism for additional investments before the end of the year.
- DFIs tend to work with experienced fund managers both in private equity and venture capital and keep reinvesting in existing relationships. This also leads to co-investing with them as direct investments.
- They like mainly investing in SMEs as growth equity, but also want them to grow fast, so it becomes possible to attract commercial LPs as well.
- With improvements in Türkiye's international rating, there has been an opportunity to increase investments in growth capital on key sectors such as financial inclusion, renewable energy, energy transition, and agri-food and forestry, with a balanced mix of direct and fund investments to drive long-term impact and growth.
- Global uncertainty driven by high inflation and ongoing conflicts, results in slower global growth and that is expected to stay for some time.
- There is an increased focus on supply chain security and a trend for near-shoring, where Türkiye stands to benefit significantly due to its strategic geographic location and strong industrial base. Favorable demographic trends, growing investment in technology, and a deep mid-market with over 10,000 SMEs further enhance the country's

- investment potential. Therefore, export-oriented industrials, consumer and technology are three main themes to invest in Türkiye.
- Existence of few GPs in Türkiye has led to fewer capital resources chasing transactions, which on the positive side resulted in higher returns for fund managers. However, Türkiye should have more GPs to take advantage of the large growing market.
- The macroeconomic environment plays a crucial role in shaping investment strategies, particularly for fund managers.
- Fund managers are expected to succeed even in volatile economic climates, underscoring the importance of clear strategies, a focus on ESG (Environmental, Social, and Governance) criteria, and diversity in driving success. Thanks to its resilient and highly qualified fund managers, there's no other country, which has faced such severe macro headwinds and but performed at par with high growth regions with no or little devaluation, which is quite exceptional.
- Although fundraising in Türkiye remains challenging, the ability to showcase strong returns makes the process significantly easier, positioning fund managers who can demonstrate tangible success to attract capital even in a complex macroeconomic landscape.
- New government regulations in Türkiye now allow local investors to co-invest alongside LPs and DFIs, opening up more opportunities for domestic participation in investment projects. This, further attracts international funds to Türkiye. In some funds now, the share of domestic LPs is 50%, which is not observed in many other countries, which is quite remarkable and promising for further growth.
- More DFIs from Europe are expected to invest soon. Key factors that would trigger their investment are performance and macro stability.
- Türkiye's funds are performing well, ranking at the top 10 percentile globally and delivering returns significantly above the average.
- There remains a need for more investors and GPs in Türkiye, which presents challenges but also opportunities for those willing.
- Strong track records and successful exits with profitable returns are critical for attracting more capital into these markets. The impact of credit ratings and reductions in interest rates are also expected to trigger capital flows into Türkiye.
- There is growing interest from Middle Eastern and Asian investors, in addition to Western Commercial LPs in Türkiye, but there is a need for a more stable and sustainable macroeconomic situation to build confidence.
- There is a pressing need for substantial investments in wind and solar energy projects, as well as in the decentralization of electrification to enhance energy access and efficiency.
- Private equity penetration remains low, highlighting the need for more general partners (GPs) to raise successive funds to drive further market development.





MANAGING PORTFOLIOS, EXITS AND FUND RAISINGS FOR TÜRKİYE FOCUSED GPS

- MODERATOR

Bariş Gen - IFC

- **Cenk Coşkuntürk** - Mediterra Capital
- **Koray Doğançay** - Maxis Private Equity
- **Mehmet Özkaya** - Esas Holding
- **Seymur Tarı** - Turkven
- **Selahattin Zoralioğlu** - Alkima Partners & Taxim Capital

- Major GPs active in the Turkish market invest from mature venture capital and early-stage to late-stage growth companies. Over the last 25+ years of investing in PE, a serious know-how has been accumulated within the GP community, being exposed to more than 5 major economic cycles, hundreds of investments and exit transactions. Fund commitments are expected to double by 2025 reaching to \$1 billion.
- Critical factors in investment decisions are people, technology and infrastructure, which are key to drive growth.
- From a growth equity perspective 2024 and 2025 are expected to be very good vintage years, since alternate sources of funding are becoming scarce.
- Investment focus is expected to include digitization, technological advancements in infrastructure, and accelerating decarbonization going forward. Clean energy infrastructure and electrification are key for a low-carbon economy, offering excellent investment opportunities as they shape business models and markets.
- A new Türkiye Green Fund, for example, was a thematic fund, established with an initial commitment of \$150 million, capitalizing on clean

energy infrastructure and sustainable investments.

- GPs nowadays, invest in three main themes with an ESG mindset: consumer, export-oriented manufacturing and technology and technology driven businesses.
- Apart from a number of investments in PE and venture tech, three main cross-border exits were made by GPs in 2024, mostly to European and Middle Eastern buyers.



- Among the GPs two of them have raised new funds in the last 12 months, where apart from DFIs, Turkish investors have played an important role, reaching out to almost 80% levels in one of the funds.

- Among the Turkish investors investing in private markets in Türkiye, there are ones who invest globally and in public markets as well through a number of different vehicles, platforms and GP partnerships ranging from venture capital, private equity to real estate.
- During the last 12 months, due to the parliament and local elections, good companies decided not to transact but rather wait for the dust to settle, and therefore there is a backlog of companies who plan to initiate M&A transactions in 2025.
- Execution of the deals are taking a lot longer now than in previous years. Also exits are getting postponed.
- Inflation's impact on export-oriented companies is significant, especially with minimum wage costs doubling in USD terms from 2022 to 2024, putting pressure on company margins.
- A balanced portfolio is crucial, combining foreign currency sales with domestic sales, as well as a mix of TL-denominated and foreign currency-denominated funding.
- Today's volatile market, the focus is on implementing flexible exit mechanisms, prioritizing capital preservation, and ensuring downside protection.
- Deal structures often include tools like earn-outs, put options, and top-up mechanisms, which provide a buffer against market fluctuations and manage valuation expectations.
- Turkish market has felt the ripple effects of broader geopolitical and economic uncertainties, particularly the ongoing war in Ukraine.
- The volume of large transactions indicates that well-positioned firms remain attractive to buyers, suggesting a promising outlook for exits.
- Inflation and interest rate cycles, especially those dominated by the Federal Reserve, have caused global private equity markets to enter what is known as a "drought season." However, deal flow and exit activity remains strong, even in regions that are economically challenging.
- Strategic foreign investors are increasingly seeking opportunities in Türkiye, but they require stability and clear horizons to commit fully.
- Selective and flexible investment strategies are needed in such times. Hence, focusing on high-quality opportunities with aligned long-term goals with the founders are keys to success.
- There are significant parallels and divergences on portfolio dynamics in Europe and Türkiye. Global issues affect both sides, but macroeconomic climate in Türkiye adds another level of complication.
- Private equity and family offices take rather different approaches in time scales. Private equity is frequently constrained by shorter timelines, which encourages faster exits and returns, whereas family offices typically have more flexible schedules and could take longer-term views.
- Effective management is a key to understanding businesses rather than passive observation.
- Portfolio firms are expected to lead their fields to achieve long-term success.
- Investing in productivity and automation alongside operational enhancement, is the new trend for bigger portfolio firms to be efficient and competitive.
- High growth rates are crucial for smaller businesses, but setting up proper governance and procedures are just as crucial. Effective expansion is only made possible by such a foundation, which enables companies to expand successfully while preserving stability and control.
- A critical factor in this process is selecting the right management teams, since the success of these companies often hinges on leadership effectiveness.

- In early 2025, a slight opening is anticipated, with investors beginning to show renewed interest in the market. For this positive shift to gain momentum, the implementation of economic policies and reforms are crucial.



Fireside Chat



Erman Kalkandelen

Franklin Templeton

Oldest global asset manager in Türkiye since 1989, Franklin Templeton is currently managing oversees \$1.6 trillion in assets. Today, its focus includes alternatives like private credit, secondaries, real estate, and more.

Their latest acquisition, Gözde Tech Ventures complements this change. As developed markets face slowing growth and significant fiscal challenges, including governance issues highlighted by political events in the U.S., Emerging Markets like Türkiye, may begin to appear more investible. Türkiye, alongside few other markets, could benefit from this shift, provided it maintains stable economic policies and addresses structural issues.

Türkiye's regulatory environment can pose challenges for attracting average investors. However, the government's small-cap fund, which limits acquisitions to companies under \$5 million, aligns well with Türkiye's market structure, where 95% of companies fall within this size range.

Business operations face hardships due to dwindling LP interest and macroeconomic volatility. To attract stable capital, Türkiye needs resilient and consistent policies that mitigate these uncertainties.

Although Türkiye has seen exits averaging \$1 billion, typical investors remain focused on large developed markets with established companies. Emerging markets, including Türkiye, have been overlooked.

However, as developed markets face significant issues—often political and with higher risks as a result of their volume—the relatively stable environment of emerging markets is becoming more attractive.

Securing the first investor in fund raising is crucial; once the initial investment is made, that investor can serve as effective “advertisement” to allure others. Guiding that business with a strong, cohesive team with exceptional background is essential for success.

Strategic players, recognize the value of acquiring successful Turkish companies as a valid investment strategy, since such companies serves as platform in their global network and supply chains.



Yiğit Dula

EBRD



EXIT OPPORTUNITIES FOR PRIVATE CAPITAL THROUGH IPOs IN BORSA ISTANBUL AND LSE

- MODERATOR

Emre Karter - Citibank Türkiye

- **Gökhan Arıkoç** - Lycian Capital - Azimut
- **Güzhan Gülay** - Borsa Istanbul
- **Axel Kalinowski** - The London Stock Exchange Group
- **Onur Topaç** - Gedik Invest

- Exits are key to success in private capital industry and stock exchanges play a crucial role on exits via IPOs.
- Following a surge in IPOs with 175 listings post-pandemic in 2021-2022, the market slowed down but remain optimistic for future growth, contingent upon economic stability and foreign investment.
- Türkiye's IPO market has experienced significant activity, driven by economic conditions and strong local investor demand. Initiatives in Borsa Istanbul like crowdfunding, a private market and venture capital or early-stage private capital investment market at Borsa Istanbul now allow pre-IPO investments, with an average exit timeline of 5.1 years after initial investment. Six IPOs out of 175, have taken pre-IPO investments by the local GSYFs (early-stage private capital investment funds) and they exited.
- London Stock Exchange on the other hand, has been going through the biggest market reform in the last 40 years, which aims to ensure that London remains a top choice for investors and companies worldwide. This comprehensive reform includes listing reforms, prospectus rules, corporate governance, and pension fund reforms, as well as new innovative initiatives for private markets including support for start-ups leaving no stone unturned. Additionally, the world's first hybrid platform, which uses public market technology in a private market context is under development, allowing companies raise capital, while still being private.
- Private capital funds backed by global asset managers, who typically invest in public markets, is also happening in Türkiye. Lycian, backed by Azimut, for example, is seeking investment opportunities with a prime target to list them at exits, though they also consider other alternative exit routes.
- Market stability and favorable conditions are seen as crucial for sustaining IPO momentum in Türkiye. Borsa Istanbul was dominated by foreign investors with a 65% share in the past, as compared to the current 30%. The gap was filled in by local retail and institutional investors, where the number of retail investors grew from 1 million to over 8.5 million at some point. Also 100 new funds were established and the AUM has gone up to \$100 billion.
- With rational macro policies continuing to be implemented, foreign equity investors, like already returned fixed income investors, are expected to return to Borsa Istanbul especially at historically lowest valuation levels, which is crucial to contribute to the IPO market and exit environment.



- There is an optimism for the future of Türkiye's IPO market, with numerous funds and investment trusts awaiting favorable conditions for exits. Increasing communication with foreign stakeholders is seen as essential to fostering a vibrant capital market in Türkiye.
- The synergy between Borsa İstanbul and the LSE was underscored as vital for raising awareness of Türkiye's growth potential and connecting with international investors.
- Türkiye remains an attractive market for private capital with significant IPO exit potential. With an improving economic outlook and proactive reforms in both Turkish and London Stock Exchanges, the IPO market is well-positioned for growth.



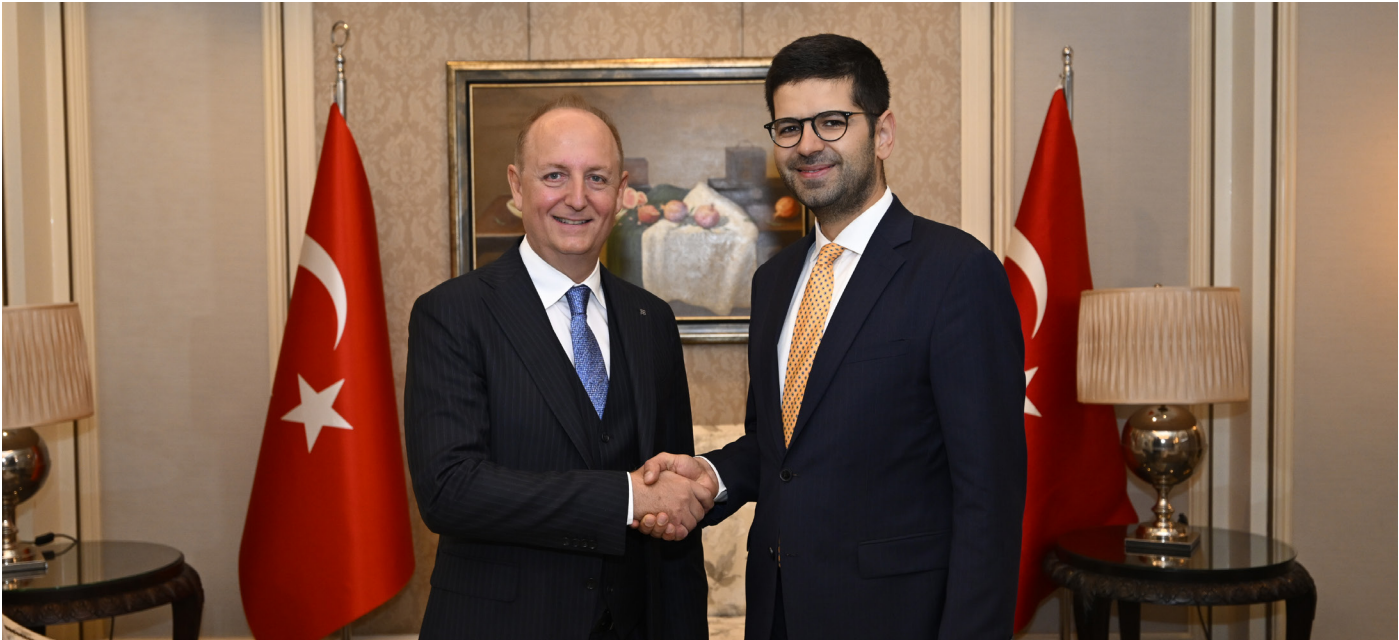








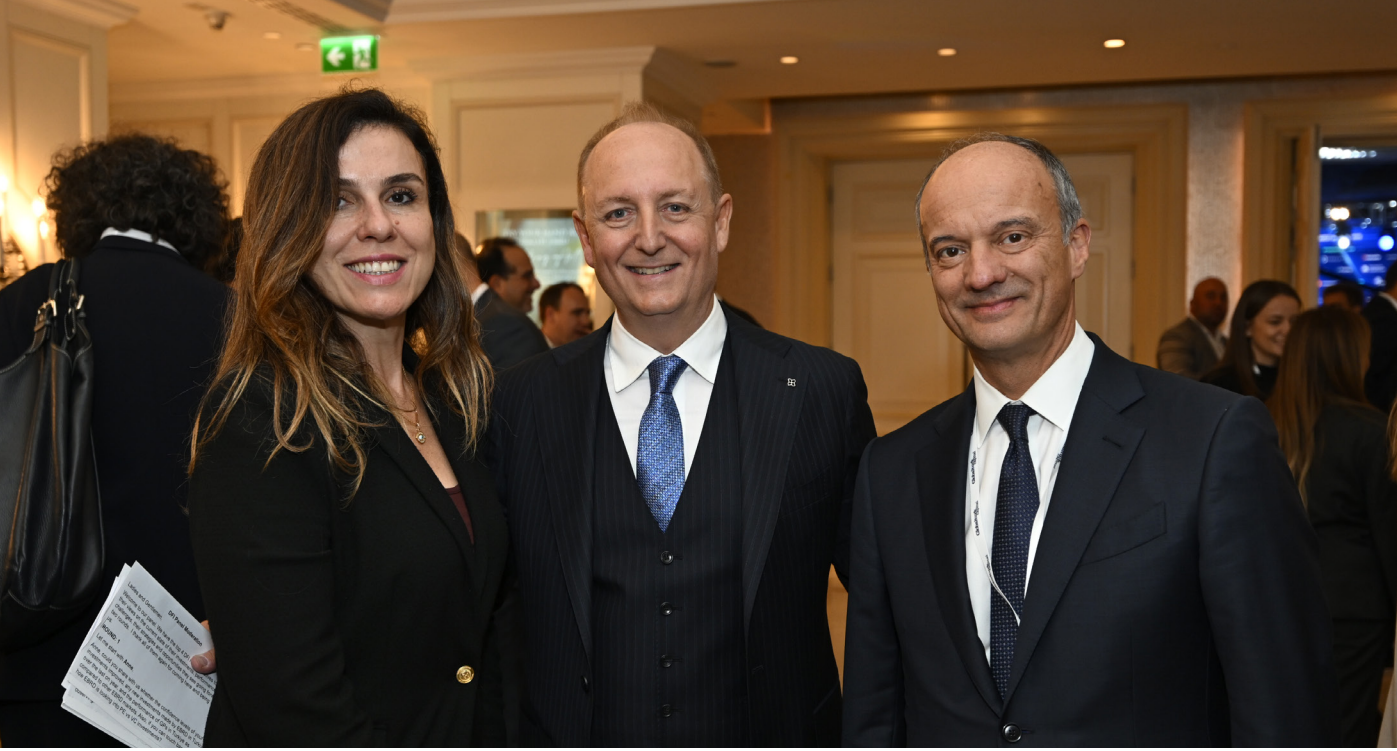








































17.3 (c) $\frac{1}{2} \times 10^{-10} \text{ m}$

PARTICIPATING FIRMS FROM PREVIOUS YEARS

- Access Turkey / iLab Ventures
- ACPI Investments
- ACT Ventures
- Actera Group
- Actis
- Actus Portfolio Management
- ADA Capital Partners
- ADM Capital
- AfricInvest Group
- Ak Law Firm
- Ak Portfolio Management
- Akbank
- Akkaş&Partners
- Akkök Holding
- Akol Law Firm
- Alarko Holding
- Albright Capital Management
- ALJ Holdings
- Alpha FX
- Anafina Capital Partners
- Anka Capital Management
- APG Investment
- ARCH Emerging Markets
- Arksigner
- Arz Portfolio
- Arzum
- Asante Capital Group
- Ata Investments
- Atlantic Council
- Aura Portfolio Management
- Bahçeşehir Universtiy
- Baker&Mckenzie
- Basefunder
- Berggruan Holdings
- Bf Ventures
- BGN Energy
- BiLira
- Binance Turkiye
- Blackstone
- BLC Experience
- BloombergHT
- Bobby Brown
- Boğaziçi Ventures
- Borsa Istanbul
- Borusan Holding
- Boyner Holding
- Brand Anatolia
- Bridgepoint
- British Consulate General
- Business France
- Business Sweden
- Capital Markets Board of Türkiye (SPK)
- Carter Ledyard & Milburn LLP
- CDC Group plc
- CEECAT Capital
- CITIC Capital Holdings Ltd
- City UK
- CM Capital Management
- Collective Spark
- Confatalis
- Consultist Business Development
- Cordiant Capital
- Craft Capital
- Credit Registration Office (KKB)
- Crescent Capital
- Çakmak Law Firm
- Çelen Real Estate Valuation Advisors
- Çukur&Partners Law Firm
- Da Vinci Capital
- Damat Tween
- Darby PE
- DDTECH
- DEG
- Deloitte
- Dentos Global Advisors
- Development and Investment Bank of Turkey
- DGSK
- Diffusion Capital Partners
- Digital Turbine
- Directorate of Presidential Administrative Affairs
- Direktika Consultancy
- Doany & Partners
- Doğan Holding
- Doğan News Agency
- Dorçe Prefabricated & Construction
- DowAksa Carbon Fiber Composites
- Dünya Gazetesi
- Earlybird Digital East Fund

- EBRD
- ECCLB
- EIF
- Ekotürk TV
- Eminova
- Emory University Endowment Fund
- EMPEA
- Eren Holding
- Ernst&Young
- Esas Holding
- Esin Attorney Partnership
- EY Türkiye
- Fark Labs
- Feronia Partners
- FINQ
- Fiera Capital
- Finberg
- Findeks
- First Reserve
- FMO
- Franklin Templeton Investments
- Gedik Investments
- Gemcorp
- Gemicioğlu Law Firm
- Genel Energy
- Geometry
- GIC
- Global Environment Fund (GEF)
- Global Family Office - Türkiye
- Global Finance Partners
- Global Info Consulting
- Global Information Consulting Group (GICG)
- Global Investment House
- Global Private Capital Association (GPCA)
- Globalturk Capital
- Goldman Sachs
- Gözde Private Equity
- Gramercy
- Green Advisors Consortium Inc.
- Grosvenor
- Gulf Capital
- Gunay Law Firm
- Hamilton Lane
- Heidrick & Struggles
- Helios Investment Partners LLP
- Hergüner Bilgen Özeke Attorney Partnership
- Hermes GPE
- Hill+ Knowlton Strategies Türkiye
- HM Treasury - UK GOV
- Horizon Capital
- Hypernova Capital
- IFC
- IHIG
- IKAR Industries LLP.
- Imperium
- Intervest
- Inventram
- Invest AZ
- Investcorp
- IPFS Insurance
- Is Private Equity
- ISA Energy
- Isbank Group
- idacapital
- İGDAŞ
- İhlas News Agency
- Jules Verne
- Kadın Dostu Markalar Platformu
- Kamco Invest
- Kare Investments
- Kayalar Chemicals
- Keiretsu Forum Türkiye
- Kestane Capital Partners
- Koç Holding
- Kolcuoğlu Law Firm
- KPMG
- Kurt&Partners Law Firms
- London Stock Exchange Group (LSEG)
- M-TOD
- M&G Investments
- Ma2 Consulting
- Marmara University
- Mastercard
- Maxis (İş) Private Equity
- MBCO
- Mediterra Capital
- Mefar International Pharma
- Meltemi Investment
- Merit Risk Management
- Mid Europa
- Ministry of Treasury and Finance of Türkiye
- Mint Office of Türkiye

- Mitsui
- MLPCare
- Molten Ventures
- Moral | Kınikoğlu | Pamukkale | Kökenek Law Firm
- Morgan Stanley
- MV Holding
- NATO Innovation Fund
- NBGI Private Equity
- NBK Capital
- Neziroğlu Law
- O'Melveny & Myers LLP
- OGGUSTO
- Oriflame Cosmetics
- Orka Holding
- Öz&Öz Law
- Özdoku Textiles - Orego Packaging
- Pedersen & Partners
- Pekin-Bayar-Mizrahi Law Firm
- Pera Capital Partners
- PineBridge
- Poda Working Booths
- Poleks Food
- Presidency Board of Economic Policies
- Presidency of The Republic of Türkiye Investment Office
- Prodema Investment
- Pupa TR
- PwC
- Rasyotek
- Re-Pie
- Recontact Games
- Renaissance Capital
- Renewable Energy Capital Partner
- Reuters
- Revo Capital
- Robot Employment Agency
- Rohatyn Group
- Sabancı Holding
- Sabancı Ventures
- SAGAM Strategic Consultancy
- Sakamel
- Samsonite
- SBK Holding
- ScaleX Ventures
- SEAF
- SEDF
- Seker Finance
- Simya VC
- Sistem Global
- Smart Finans
- Smart Office
- Somay Law Firm
- SRP-Legal Law Firm
- Stage Capital
- Standart Chartered Bank
- StartersHub & MV Holding
- Startup Wise Guys
- StartupCentrum
- Startupfon
- Straife
- Sunvest Capital
- Sushico
- Şirket Ortağım Angel Investment Network
- TABA AMCHAM
- Taboğlu Law Firm
- Tacirler Portfolio Management
- Talas Turkey Value Fund
- Taxia
- Taxim Capital
- TBCCI
- TBS Partners
- TCV
- Technology Development Foundation of Türkiye (TTGV)
- Technology Investments A.S.
- Tekfen Holding
- Tempo Call Center
- Tethys Investments
- The Abraaj Group
- The Blackstone Group
- The Industrial Development Bank of Türkiye (TSKB)
- The LifeCo
- The Ministry of Foreign Affairs
- Time Partners Ltd. & Times 3 Capital
- TRPE Venture Partners
- TRT
- Turk Telekom Ventures
- Turkish Embassy London
- Turkishbank
- Türkiye Development Fund
- Turkven
- TÜBİTAK

- Türk Telekom Ventures
- U.S. Embassy - Economic Council Office
- UK Export Finance
- Unite Edelman
- USIZY LAB
- Ünlü Private Equity
- Van Campen Liem
- Ventures22
- Vera Capital
- Vimine Holding
- Waha Capital
- White&Case
- Woman in Technology Association

- x12 Capital
- YASED
- Yıldırım Holding
- Yıldız Teknopaark
- Yorglass
- Ziraat Bank
- ZMT Ventures
- 100th Year Venture Capital Fund
- 212
- 360+ Media Interactive Technologies
- 3TS Capital Partners
- 4ware
- 8Gen

Globalturk capital

Strategic Partner



Main Sponsor



Cevdet Yılmaz
Vice President of
The Republic of Türkiye



Mehmet Fatih Kacı
Minister of Industry and
Technology, Republic of Türkiye



Ahmet Burak Dağlıoğlu
President of The Investment Office
of The Presidency



Zekeriya Coştu
Deputy Minister of Industry
and Technology, Republic of Türkiye



Hassan Al-Jeshi
Malak Capital



Suhaib Al Mabrouk
Leahabank



Gökhan Anıkoç
Lycan Capital



Nevaat Aydın
Gen Türkiye



Koray Bahar
Ragıp



Yasemin Bedir
Mastercard



Volkan Biçer
Ludia Ventures



Cenk Coşkun
Medianna Capital



Laurent Demey
Amnetis



Karay Doğançay
Mass Private Equity



Refik Yigit Dula
EBSD



İhsan Elgin
Finberg



Dr. İsmail G. Esin
Esin Attorney Partnership



Anne Fossemalle
EBSD



Barış Gen
IFC



Gökhan Gülay
Borsa İstanbul



Didem İlgez Anıl
CEICAT Capital



Gökçürk İplikçin
AK Portföy



Axel Kalinowski
LSEI



Erman Kalkandelen
Franklin Templeton



Barış Karakullukçu
İş Bankası



Emre Karter
Cibank A.Ş. Türkiye



Batıray Kaya
Digital East Fund



Serkan Kızıl
Tosun Capital & Advisors Capital



Kulig Krzyzstof
Innovia Capital



Yaser Maustafa
RBC



Barış Öney
Globalbank Capital, GPCA



Mehmet Özkaya
Ereks Holding



Merlin Piscitelli
Envestra



Oliver Polednick
IFC



Jaap Reinking
EBSI



Bernard-Louis Roques
Tuffin Capital



Jeff Schlapinski
GPCA



Ozan Şimşek
Makro Ventures



Alex von Sponeck
KPMG



Dany Sychkov
Redbank Capital



Seymur Tan
Turkcell



Bülent Tekmen
Cibank



Onur Topaç
Gedik Ventures



Agah Uğur
Bosch Ventures



Nicholas Vickery
IFC



Dirk Werner
EBSD



Selahattin Zoralıoğlu
Akbank

* Due to the last minute changes in his priorities, Ahmet Burak Dağlıoğlu, President of the Investment Office of the Presidency of The Republic of Türkiye, shared Vice President Cevdet Yılmaz's welcoming messages with the participants on behalf of him in addition to his speech.

** Due to the last minute changes in his priorities, Zekeriya Coştu, Deputy Minister of Industry and Technology of The Republic of Türkiye, shared Minister of Industry and Technology of The Republic of Türkiye Mehmet Fatih Kacı's messages with the participants on behalf of him.

EXCELLENCE IN FACILITATING INTERNATIONAL EXPANSION AND INVESTMENTS - TÜRKİYE 2024



"Globalturk Capital has been contributing to Türkiye's economic development by promoting Türkiye as a unique investment destination to foreign capital via global investor gatherings and report publications."

Globalturk Capital: Excellence in Facilitating International Expansion and Investments Türkiye 2024

TI Font size 16



Founder and Managing Partner: Barış Öney

Globalturk Capital, founded in January 2011, has dedicated itself to assisting Turkish companies in their global expansion and foreign direct investors' entry to Türkiye. This focused investment advisory firm differentiates itself from traditional mergers and acquisitions and private equity advisors through a holistic approach, promoting strategic growth with a long-term vision, like a merchant bank. The firm supports private equity investors who invest in companies it advises with a vested interest during the post-transaction period. As a gateway for private capital in Türkiye and environs, Globalturk Capital's unique model fosters harmony between local companies and international direct investors. The firm's strategic partnership with Global Private Capital Association – GPCA, based in New York (formerly Emerging Markets Private Equity Association – EMPEA) underscores its influential position in facilitating international investments. It actively engages in significant efforts to enhance global integration, hosting large events and roundtables in key financial hubs like London, Washington DC, New York and Istanbul since 2015 often featuring high-profile participants including top-level private capital executives, advisory service providers, corporates and Turkish and UK political leaders and ministers. Globalturk Capital also supports regional development by enhancing interaction and corporate collaboration, particularly in collaborating with GPCA, the London Stock Exchange Group and international financial corporations, and producing insightful reports on the investment and business landscape covering Türkiye and environs and broadcasts those reports to the global investment and business community. Globalturk Capital has been contributing to Türkiye's economic development by promoting Türkiye as a unique investment destination to foreign capital via such global investor gatherings and report publications. The firm's commitment to supporting Türkiye and environs in fostering private capital interaction is unparalleled, and its role as a key player in cross-border mergers and acquisitions is well-recognized. The CFI.co Judging Panel congratulates Globalturk Capital on winning the 2024 award for Excellence in Facilitating International Expansion and Investments (Türkiye).

Share this article:

f Facebook t Twitter g+ Google+ in LinkedIn

Award Highlights in Current Issue

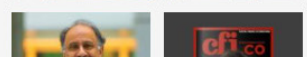
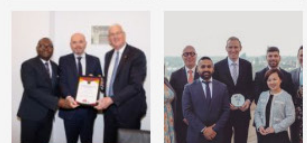
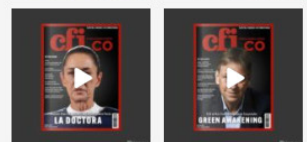


About CFI.co Awards Programme



Each year, CFI.co seeks out individuals and organisations that contribute significantly to the convergence of economies and truly add value for all stakeholders. Reporting from frontlines of economic convergence, CFI.co realises that best practice is to be found throughout the world and the Awards Programme aims to identify and reward excellence wherever it is found in the hope to inspire others to further improve their own performance. CFI.co cordially invites visitors to cast a vote in the **2024 Awards Programme**.

CFI.co In Pictures



6th Annual Executive Briefing on Private Capital in Türkiye and Environs

October 24, 2024

Main Sponsor

INVEST IN  TURKIYE



Cevdet Yılmaz
Vice President of
The Republic of Türkiye



Hassan Al-Jeshi
Malaz Capital



Suhaib Al Mabrouk
Leshabank



Gökhan Arıkoç
Lycian Capital



Nevzat Aydın
Gen Türkiye



Mehmet Fatih Kacır
Minister of Industry and
Technology, Republic of Türkiye



İhsan Elgin
Finberg



Dr. İsmail G. Esin
Esin Attorney Partnership



Anne Fossemalle
EBRD



Barış Gen
IFC



Ahmet Burak Dağlıoğlu
President of The Investment Office
of The Presidency



Baturay Kaya
Digital East Fund



Serkan Kızıl
Taxim Capital & Astra Capital



Kulig Krzysztof
Innova Capital



Yaser Moustafa
NBK



Zekeriya Coştu
Deputy Minister of Industry
and Technology, Republic of Türkiye



Ozan Sönmez
Molten Ventures



Alex von Sponeck
Kirkoswald



Denys Sychkov
Horizon Capital



Seymur Tari
Turkven

* Due to the last minute changes in his priorities, Ahmet Burak Dağlıoğlu, President of the Investment Office of the Presidency of The Republic of Türkiye, shared Vice President Cevdet Yılmaz's welcoming messages with the participants on behalf of him in addition to his speech.

MAIN SPONSOR

INVEST IN TURKIYE

SPONSORS ON-STAGE



SPONSORS



SUPPORTERS



Koray Bahar
Figopara



Yasemin Bedir
Mastercard



Volkan Biçer
Ludus Ventures



Cenk Coşkuntürk
Mediterra Capital



Laurent Demey
Amethis



Koray Doğançay
Maxis Private Equity



Refik Yigit Dula
EBRD



Güzhan Gülay
Borsa İstanbul



Didem Ilgaz Anıl
CEECAT Capital



Göktürk Işıkpınar
Ak Portföy



Axel Kalinowski
LSEG



Erman Kalkandelen
Franklin Templeton



Barış Karakullukçu
İş Bankası



Emre Kartir
Citibank A.S. Türkiye



Barış Öney
Globaltürk Capital, GPCA



Mehmet Özkaya
Esas Holding



Merlin Piscitelli
Datasite



Oliver Poledniok
DEG



Jaap Reinking
FMO



Bernard-Louis Roques
Truffle Capital



Jeff Schlapinski
GPCA



Bülent Tekmen
Colendi



Onur Topaç
Gedik Yatırım



Ağah Uğur
Boğaziçi Ventures



Nicholas Vickery
IFC



Dirk Werner
EBRD



Selahattin Zoralioğlu
Alkima Partners

** Due to the last minute changes in his priorities, Zekeriya Coştı, Deputy Minister of Industry and Technology of The Republic of Türkiye, shared Minister of Industry and Technology of The Republic of Türkiye Mehmet Fatih Kacır's messages with the participants on behalf of him.

Globalturk
capital

Strategic Partner

GPCA
Global Private Capital Association
formerly EMPEA

6th Annual Executive Briefing on Private Capital in Türkiye and Environs

October 24, 2024

Main Sponsor

INVEST IN  **TÜRKİYE**