

# YOUNG COMPANY FINANCE

**NZ GROWTH  
CAPITAL PARTNERS**



---

**AUTUMN | 2026**

News, comments and analysis  
on the young company  
market in New Zealand.

---

New Zealand's start-up  
ecosystem hits scale — but  
early-stage funding gap looms  
page 3

---

Capital growth is a signal.  
System strength is the goal.  
page 4

---

Start-up ecosystem  
overview  
page 6

# NUMBERS AT A GLANCE

## Deal and investment growth:

Investment activity in the New Zealand start-up ecosystem strengthened significantly in 2025. A total of **166 funded deals** were recorded, with **\$754 million invested**, representing a **14% increase in deal volume** and a **61% increase in total investment amount** year-on-year.

A total of **47** new companies were invested in during 2025, compared to **46** in 2024 and **51** in 2023.

2025 saw steady growth, with H2 recording higher deal volume (**up 21%**) and total investment amount (**up 8%**) compared with H1.

## Stage profile:

While early-stage activity continued to grow, with **Proof-of-Concept deals increasing to 19%** of total deal volume, investment is increasingly concentrated in later-stage companies, with **Early Expansion and Expansion stages accounting for 49% of funding rounds** amounting to **83% of total capital invested** in 2025.

## Regional trends:

Investment activity remained heavily concentrated in **Auckland, Wellington, and Canterbury** regions, however the distribution between the main centres shifted with both **Wellington and Canterbury** regions experiencing particularly strong growth in total investment in H2 2025.

## Sector trends:

**Fin-tech and Health-tech** sectors recorded strong investment growth in H2 2025, while capital invested in **Climate-tech and Clean-tech** declined, reflecting broader global funding trends.

# \$754M

total investment amount  
for 2025.

# 49%

of successful funding rounds  
were into Early Expansion /  
Expansion-stage companies.

# 57%

of deals were led by Venture  
capital funds.

All references in this report to **2025** refer to the **calendar year** (January-December 2025). **H1** and **H2** refer to the **first and second halves of the calendar year** respectively<sup>1</sup>.

# New Zealand's start-up ecosystem hits scale — but early-stage funding gap looms.



Bridget Unsworth from the Angel Association of New Zealand



**The latest market data paints a picture of a maturing ecosystem—one that is increasingly capable of supporting companies beyond the earliest stages of their journey.**

The headline growth is encouraging. With total investment reaching \$754 million in 2025, we are seeing not just more capital flowing into the market, but a meaningful shift in the scale of that capital. Larger rounds are becoming more common, and that matters. It signals that New Zealand companies are progressing further, staying competitive on a global stage, and attracting the depth of funding required to scale. This is, unequivocally, a positive development.

Larger rounds bring a range of benefits to the ecosystem. They enable founders to focus on growth rather than constant fundraising, attract and retain top talent, and support expansion into international markets. They also validate the quality of New Zealand's start-up pipeline – demonstrating that the early-stage work done by early-stage investors is translating into companies that can successfully raise significant follow-on capital.

At the same time, this shift requires a degree of awareness.

As more capital concentrates in later-stage rounds, there is a natural risk that early-stage investment, the lifeblood of the ecosystem, receives less attention. Angels and early-stage investors play a critical role in backing companies at their earliest, most uncertain phases, often well before institutional capital is available. Ensuring that this part of the pipeline remains strong is essential; without it, the flow of companies capable of reaching those larger rounds will diminish over time.

We are also seeing a growing presence of venture capital leading rounds, reflecting the increasing sophistication and depth of the capital stack in New Zealand. This is a welcome evolution, but it reinforces the importance of clear pathways between angel and VC investment, and of maintaining strong collaboration across the ecosystem.

Encouragingly, the data points to a broadly healthy market. Activity is not only growing, but becoming more consistent across the year, and regional momentum beyond the main centres suggests that innovation and investment capability are continuing to expand geographically.

Overall, the direction of travel is positive. New Zealand's start-up ecosystem is demonstrating resilience, ambition, and an ability to support companies at greater scale than ever before. The opportunity now is to ensure that this progress is sustainable – by continuing to invest in the earliest stages, supporting founders across the full lifecycle, and maintaining the balance that underpins a high-functioning, globally competitive ecosystem.

# Capital growth is a signal. System strength is the goal.



Jacques Richter,  
Investment Director at NZGCP

**The latest venture data points to clear momentum returning to New Zealand's investment market. These are encouraging signals for an ecosystem that has spent the past decade building the foundations required to support globally ambitious firms.**

But while headline growth matters, the more important story is structural.

NZGCP was established to help catalyse the development of a self-sustaining venture ecosystem, one where capital, capability and experience reinforce each other over time. The government's intervention recognised that early-stage capital markets in smaller economies often struggle to reach and maintain sufficient scale on their own. The recent data suggests this collaborative approach is working. The market is deeper, more connected, and increasingly capable of supporting companies through multiple stages of growth.

Globally, venture capital has entered a more selective phase. Capital is increasingly concentrated into fewer, larger deals, often backing companies that have already demonstrated strong traction. Artificial intelligence has amplified this dynamic, attracting a disproportionate share of global funding and reinforcing a market defined by scale. New Zealand echoes this trend, particularly in the growth of larger follow-on rounds and the emergence of companies raising substantial capital as they move into scale-up territory.

This brings into focus a fundamental dynamic: the balance between scaling existing companies and creating new ones.

Much of the recent growth in investment activity has flowed into companies already known to investors. That strengthens the current cohort of scale-ups, but it does less to expand the pipeline of new ventures entering the ecosystem. Over time, that pipeline is what determines long-term system strength. Venture ecosystems

compound not only through a small number of successful companies, but also through the continuous formation of new ones.

This is where targeted market-building initiatives continue to play an important role. The Scout Fund trial, announced by Minister Nicola Willis at the Angel Association Summit in March 2026, is a positive step. Through the Aspire NZ Seed Fund, the trial will focus on supporting the first funding rounds that enable new company formation — reinforcing the front end of the ecosystem, where future scale-ups begin.

**The focus now shifts from recovery to ambition. Our new CEO, James Pinner, has articulated this through the “5x5s” vision: 5,000 start-ups, 50,000 jobs and \$50 billion of economic value, requiring approximately \$5 billion of investment — less than 5 percent of KiwiSaver assets under management.**

For New Zealand, growing this ecosystem is not a niche objective. The technology start-up sector is increasingly central to future productivity, export growth and economic resilience. The task now is to convert current momentum into permanence — building an ecosystem that not only scales successful companies, but continuously generates new ones. Capital growth is a signal. System strength is the goal.

**A special thanks to each of the following investors who contributed to this report:**

Altered Capital, Angel HQ, Angel Investors Marlborough, Auckland UniServices, Blackbird Ventures, Climate VC Fund, Enterprise Angels, Flying Kiwi Angels, GD1 Fund, Icehouse Ventures, Mainland Angels, Motion Capital, Nuance Capital, NZVC, Pacific Channel, Punakaiki Fund and WNT Ventures.

For New Zealand, growing this ecosystem is not a niche objective. The technology start-up sector is increasingly central to future productivity, export growth and economic resilience.

Jacques Richter,  
Investment Director at NZGCP

# SECOND HALF YEAR 2025:

---

## Start-up Ecosystem Overview



## What the data shows

In 2025, **166 funded deals** were completed, with a total investment amount of **\$754 million**.

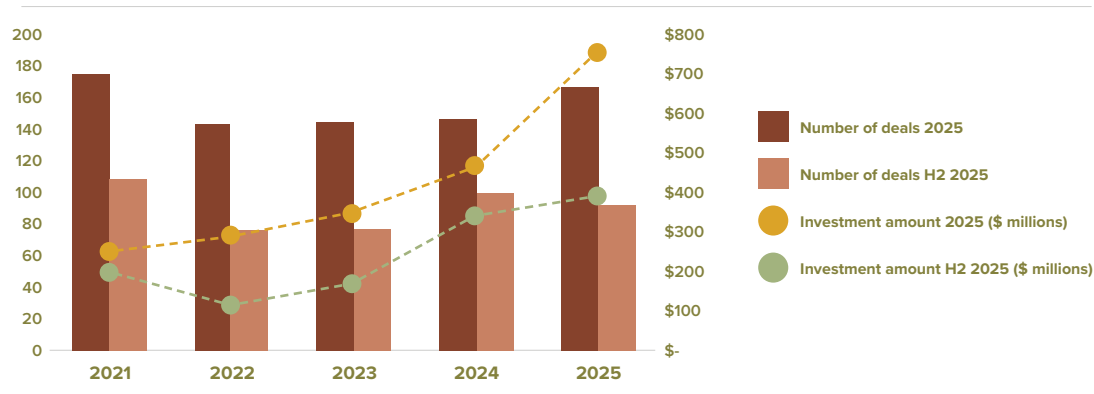
**Deal volume:** The total number of deals increased by **14%** year-on-year. After three years of relatively stable deal volume, 2025 saw a significant rise in investment activity, nearly matching the previous peak recorded in 2021.

**Investment:** Alongside the increase in deal volume, the average investment amount per deal has continued to rise, maintaining a consistent upward trend over the past four years. This has driven total investment up by **61%** year-on-year, representing the largest annual increase in total investment recorded to date.

Another encouraging signal of sustained investment is that, while H1 was heavily influenced by a single \$170 million mega-round, round sizes in H2 were more evenly distributed, with 59 of the 91 deals (65%) exceeding \$1 million in value.

The growing number of companies receiving substantial funding throughout 2025 points to a healthy and increasingly active investment climate within the New Zealand start-up ecosystem.

2025 Number of Deals and Investment Amount

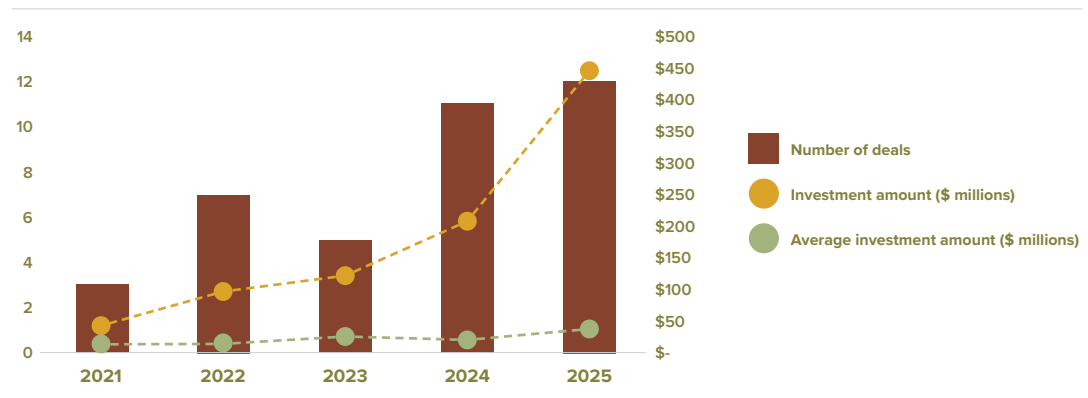


## Increase in Large Funding Rounds

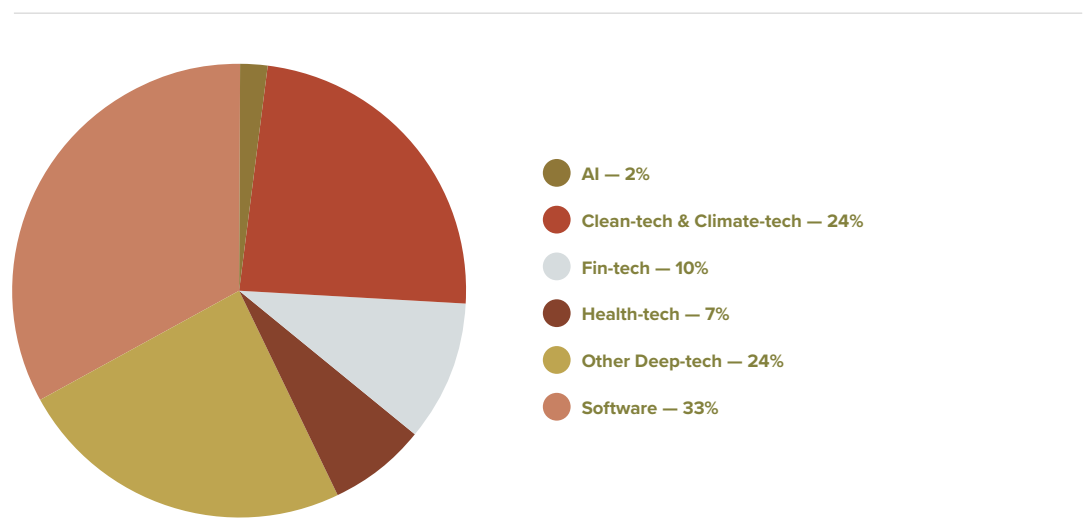
New Zealand's venture market is showing clear evidence of maturation at the scale-up end, with significantly larger follow-on rounds being raised by a small number of existing high-growth companies. However, the data also suggests a narrower pipeline of new companies entering large funding rounds, which means ecosystem development efforts should continue to focus not only on attracting later-stage capital, but also on strengthening the pathway from early-stage funding into scale-up readiness.

- 1. Strong growth at the top end:** Large rounds are clearly up in both deal volume and capital raised, with 2025 a breakout year.
- 2. Growth is concentrated in follow-ons:** The market is backing known performers, not bringing many new names into the \$10m+ category.
- 3. Average cheque size is rising fast:** This points to more mature companies and greater participation from larger or offshore investors.
- 4. Sector strength sits in software, climate-tech and deep-tech:** That aligns with New Zealand's areas of comparative strength more than the global AI hype cycle.
- 5. The main structural issue is pipeline depth:** The ecosystem may be getting better at scaling a few companies but not yet broadening the pool of companies reaching scale.

2025 Number of Deals and Investment Amount – Large Funding Rounds (>\$10M)



2021-25 Investment Amount by Sector – Large Funding Rounds (>\$10M)



## Deal type breakdown

### H2 2025 —

**Deal volume:** New deals accounted for **29%** of all deals in H2 2025, unchanged from H2 2024.

**Investment:** Total investment amount in H2 2025 increased by **15%** year-on-year, which shows a slowing in the year-on-year growth rate recorded over the previous two H2 reporting periods (i.e. growth between H2 2022-23 was 51%, H2 2023-24 101%).

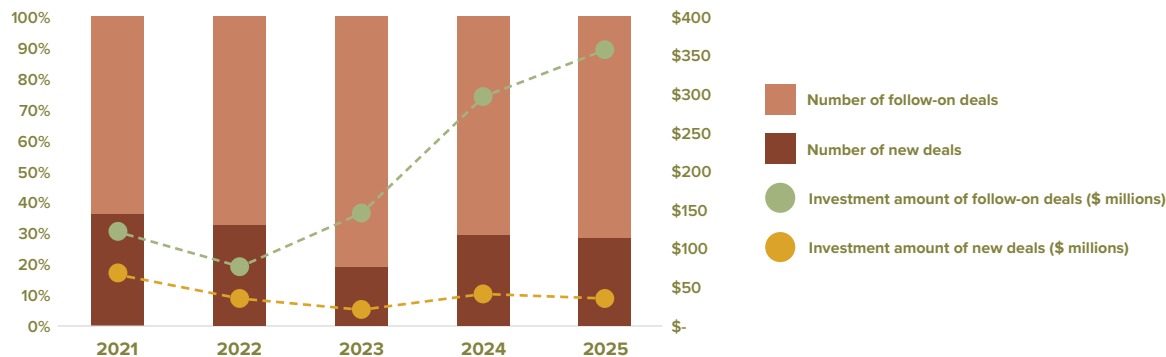
### 2025 —

All indicators show positive and significant growth in 2025, suggesting that the five-year growth trend should continue, absent external shocks that could negatively affect the investment climate.

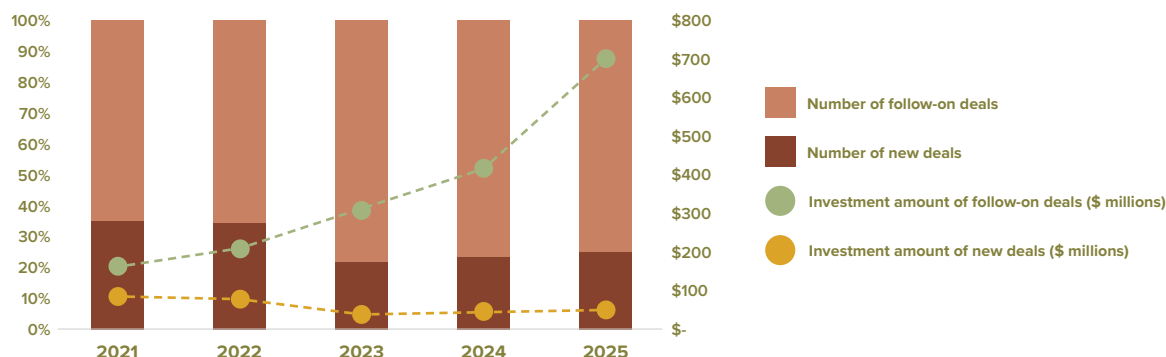
Total deal volume has resumed an upward trajectory after remaining relatively static over the past three years. The proportion of new deals has increased for the second consecutive year, and total investment amount saw the highest year-on-year growth we have seen in our reporting.

The data presents two somewhat conflicting trends. While the full-year total investment has shown strong growth year-on-year over the past four years, the last three half-year reporting periods have seen a softening of the rate of growth. The next reporting period for H1 2026 will help determine whether this plateau is indicative, or the longer-term growth trend will continue.

H2 2025 Number of Deals and Investment Amount by Deal Type



2025 Number of Deals and Investment Amount by Deal Type



## Stage breakdown

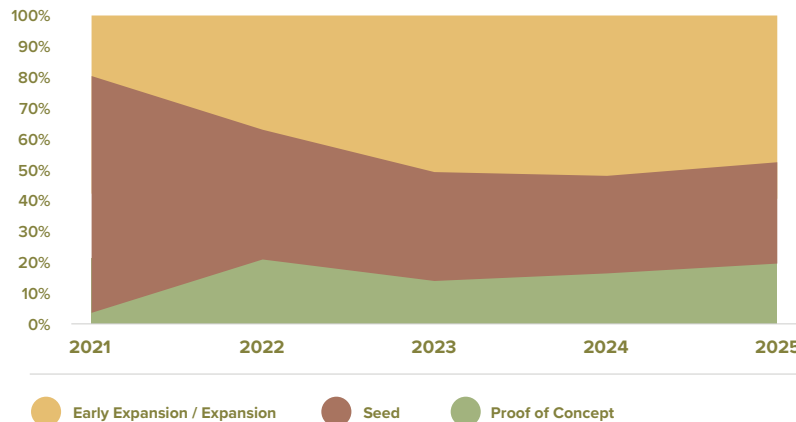
### H2 2025 —

**Deal volume:** A total of **18** Proof of Concept (POC) deals were recorded, the highest for an H2 period and continuing a three-year upward trend. POC deals also increased as a share of total deals over the same period.

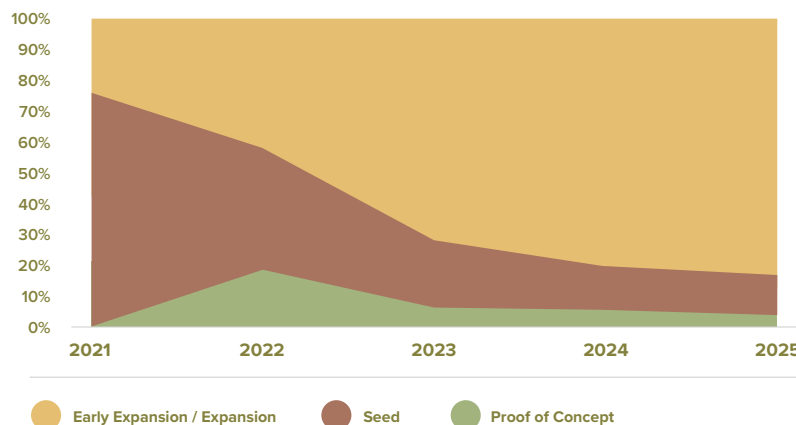
**Investment:** Despite higher deal activity, total investment in POC companies for H2 remained similar to the same period last year, accounting for **5%** of investment across all stage categories.

Current government policies are primarily focused on attracting broader capital investment. Without targeted incentives to support proof-of-concept or pre-seed funding, the current trend of limited investment at these earliest stages is likely to persist in the short term.

H2 2025 Proportion of Deals by Stage



H2 2025 Proportion of Investment Amount by Stage



Early Expansion / Expansion (Pre-Series A, Series A, Series B, Series C+); Seed (Seed); Proof of Concept (Proof of Concept, Pre-Seed).<sup>2</sup>

## Stage breakdown (continued)

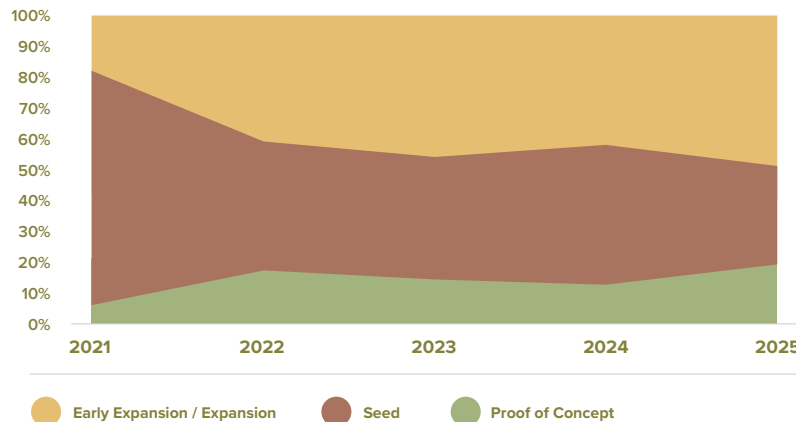
### 2025 —

POC-stage activity increased in 2025, with **33** deals recorded (19 last year), representing **20%** of total deals (13% last year).

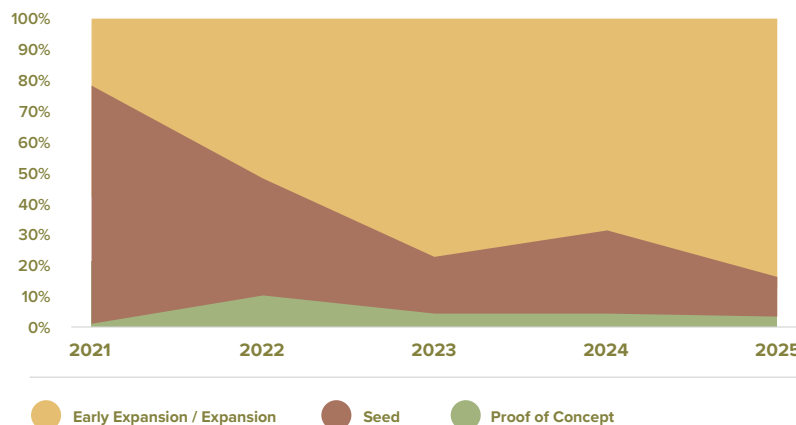
In line with H2 numbers, investment in POC companies has remained largely unchanged, at or below **5%** of total investment amount across all stage categories over the past three years.

Investment continues to concentrate in greater proportion at the Early Expansion / Expansion stage, which accounted for **49%** of deal volume and **83%** of capital investment – continuing the 5-year trend.

2025 Proportion of Deals by Stage



2025 Proportion of Investment Amount by Stage



Early Expansion / Expansion (Pre-Series A, Series A, Series B, Series C+); Seed (Seed); Proof of Concept (Proof of Concept, Pre-Seed).<sup>2</sup>

## Regional breakdown

### H2 2025 —

**Deal volume:** Deal activity became more concentrated in the three main centres. Auckland again led with **50%** of all deals, while Wellington and Canterbury regions both increased their share of deals by **4%** and **3%** respectively. Regions outside the main centres recorded their lowest share of H2 deals in several years.

**Investment:** The shift was more pronounced in total investment amount. Year-on-year, Auckland declined by **52%**, while Wellington increased by **202%** and Canterbury by **88%**.

This was the first reporting period where Auckland has not recorded the highest proportion of total investment, with Wellington leading all regions at **43%**.

This increase was driven by several larger funding rounds: four Wellington investments exceeded \$10 million in H2 2025 (including two above \$20 million), matching the total number of \$10M+ deals recorded in Wellington region across all previous reporting periods combined.

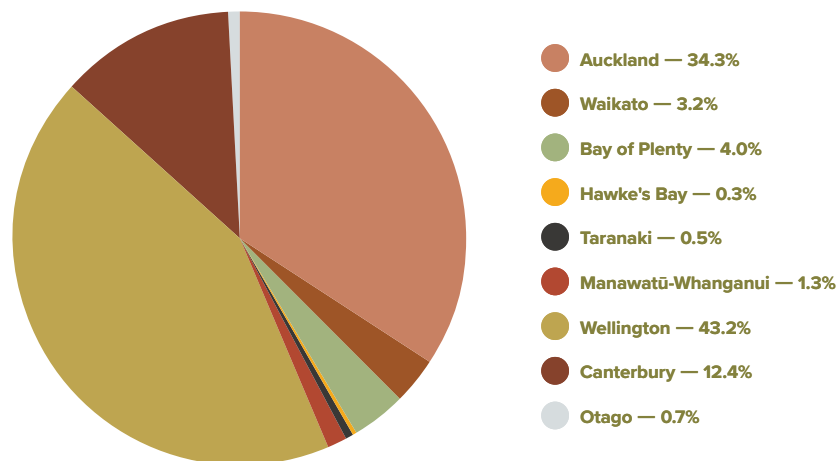
### 2025 —

The regional distribution seen in H2 was reflected in the full-year data, with the highest concentration of investment across Auckland, Wellington, and Canterbury regions recorded in the past five years.

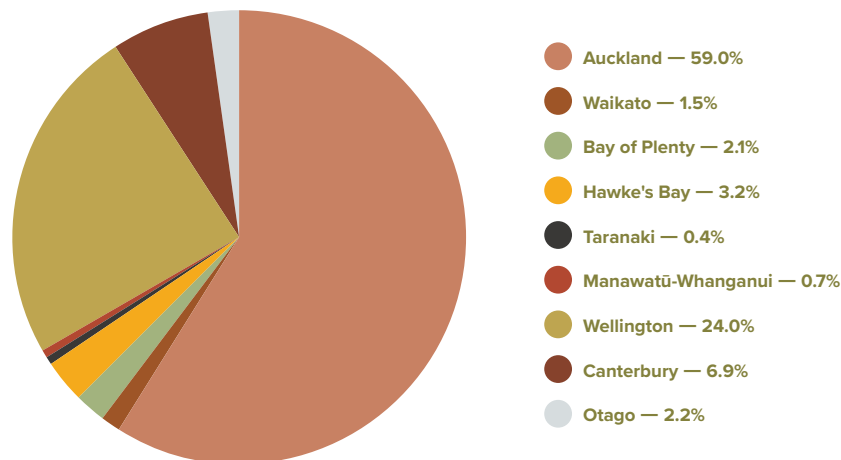
Despite a decline in H2, Auckland's H1 performance resulted in total capital investment for the region increasing by **43%** year-on-year. Wellington, on the back of a particularly strong H2, saw significant growth in 2025, increasing its share of total investment amount across all regions to **24%**, with year-on-year capital investment for the region increasing by **127%**.

This growth reflects the continued maturation of Wellington's start-up ecosystem, supported by strong networks, research institutions, and strengths in digital and software technologies.

H2 2025 Proportion of Investment Amount by Region



2025 Proportion of Investment Amount by Region



## Sector breakdown

### H2 2025 —

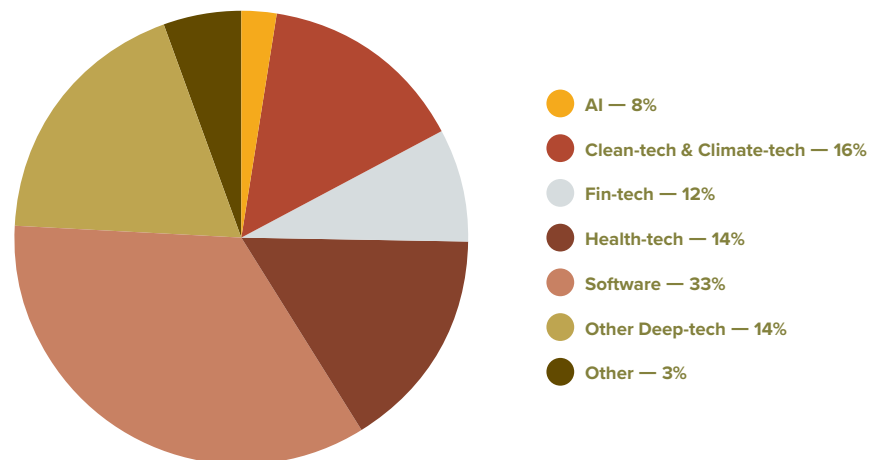
**Deal volume:** Fin-tech and AI recorded the largest shifts in deal activity, with Fin-tech increasing by **5%** year-on-year as a share of total deals, and AI recording **7** deals compared to none for the same period last year.

**Investment:** Fin-tech accounted for **13%** of total investment in H2 2025, driven by the largest individual round recorded for the sector, among a total of five multi-million-dollar deals. Total investment in the sector increased by **133%** year-on-year.

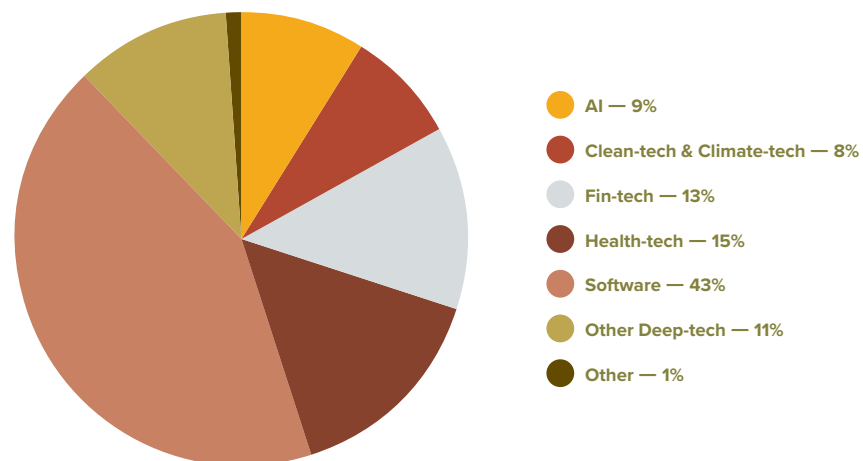
Health-tech also attracted significant investment, representing **15%** of total funding, with seven rounds exceeding \$4 million. Investment in the sector increased by **89%** year-on-year.

AI sector, on the back of five rounds over \$1 million and one large funding round over \$20 million, accounted for **9%** of all funding for the period. This was the first significant investment into the AI sector since we began reporting on it.

### H2 2025 Proportion of Deals by Sector



### H2 2025 Proportion of Investment Amount by Sector



## Sector breakdown (continued)

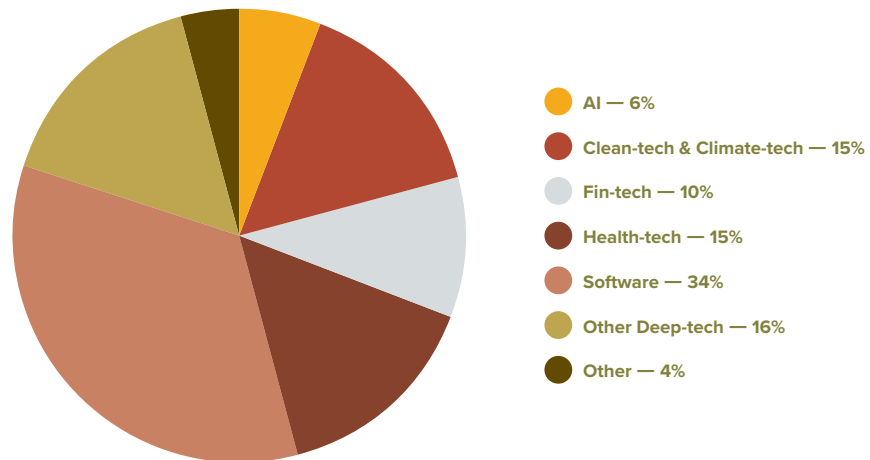
### 2025 —

In 2025, a notable trend has begun to emerge in the **Clean-tech and Climate-tech sectors**. While the total number of deals has remained steady year-on-year, the amount invested in these technologies has declined sharply since 2023, when Clean-tech and Climate-tech led all sectors as a proportion of total investment.

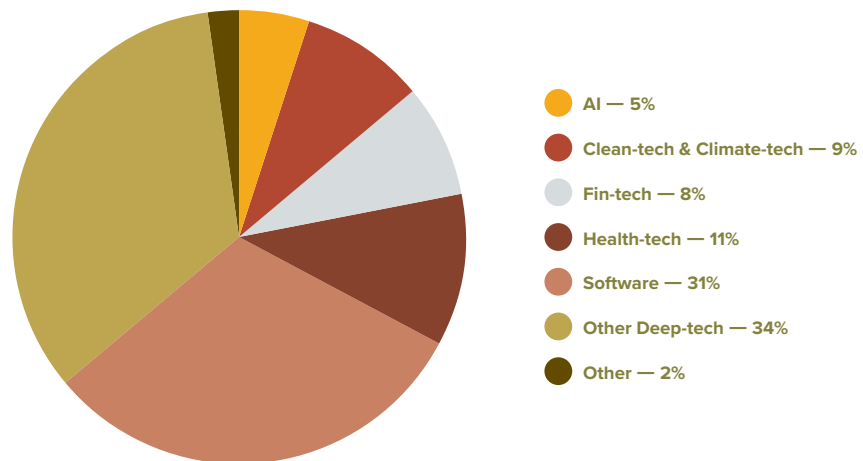
This decline reflects a broader global slowdown in Climate-tech and Clean-tech capital investment. Policy uncertainty, combined with investor preference for capital-light technologies that typically offer faster returns, has contributed to a shift in investment toward AI and software sectors.

That shift in investor preference is further enforced by a significant increase in funding for the AI sector. All of the investment into the AI sector occurred during H2 2025, but it still accounted for 5% of total investment over 2025.

2025 Proportion of Deals by Sector



2025 Proportion of Investment Amount by Sector



## Lead investor type breakdown

### H2 2025 —

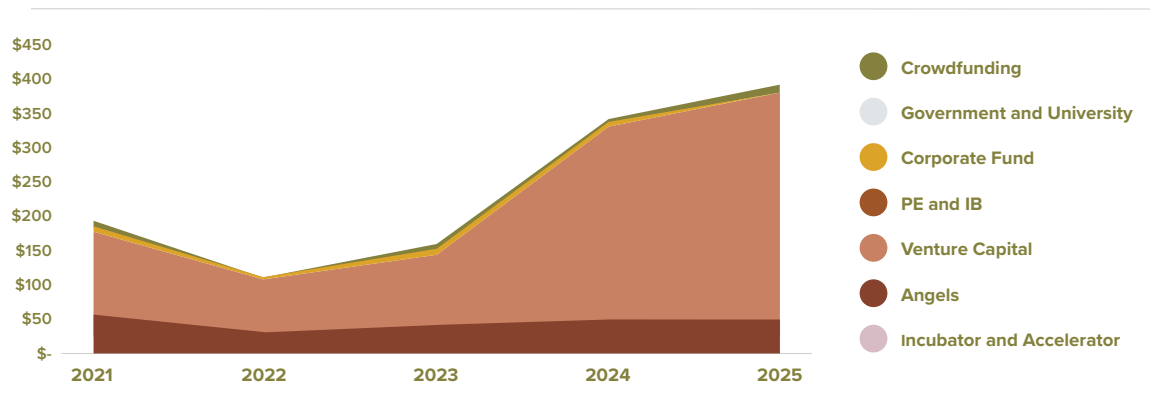
**Deal volume:** The number of venture capital-led deals in H2 2025 remained similar to the same period last year, however, increased proportionally with reduced deal activity among angel investors.

**Investment:** A similar pattern was observed in total investment amount, with venture capital-led investment increasing and angel-led investment remaining steady year-on-year but continuing a downward trend as a proportion of total investment.

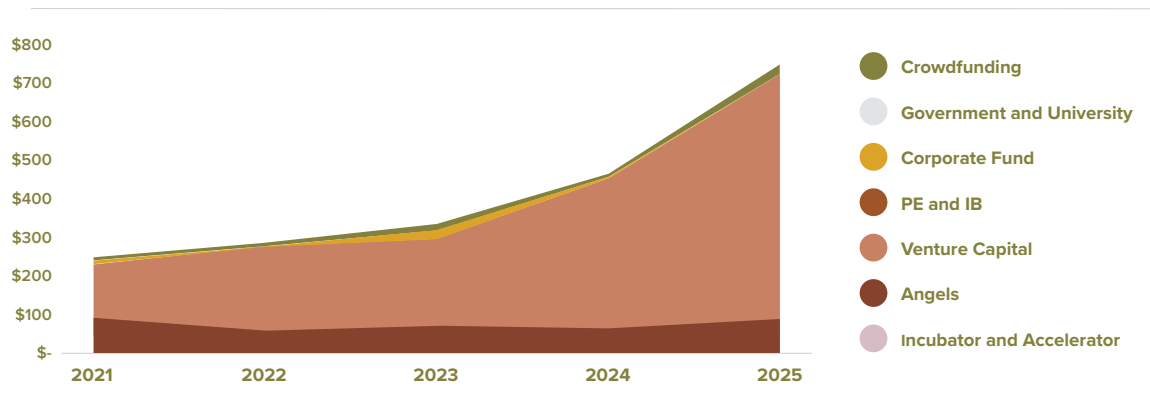
### 2025 —

Venture capital-led investment accounted for **57%** of deal volume in 2025, and **84%** of total investment amount. Both the share of deal volume and capital invested showed little change year-on-year between venture capital and angel-led funding rounds.

H2 2025 Investment Amount by Lead Type (\$ millions)



2025 Investment Amount by Lead Type (\$ millions)



# TERMINOLOGY REFERENCES

## 1. Change in Reporting Convention

References to **H1** and **H2** in this report relate to the **first and second halves of the calendar year**, rather than the financial year. All references in this report to “**2025**” refer to the **calendar year** (January-December 2025). In previous editions of this report, the period from 1 January to 31 December was referred to as the **full year (FY)**.

This is now the standard reporting convention for all future editions of this report.

## 2. Stage Classification

The stage classification used in this report is proof of concept, pre-seed, seed, series A, series B and series C+.

To ensure comparability with previous classifications, we have consolidated the categories as follows:

- **Proof of Concept Stage:** This includes both Proof of Concept and Pre-seed stages.
- **Seed Stage:** This includes only Seed stage.
- **Early Expansion / Expansion Stage:** This includes Pre-Series A, Series A, Series B, and Series C+ stages.

## 3. What is a NZ Tech Start-up?

A NZ Tech Start-up is a young, high-growth company originating from New Zealand that develops and scales technology-enabled products or services for global markets. Characteristics typically include:

- **Technology Core:** Product, service, or platform is enabled by proprietary software, hardware, or deep tech (e.g., AI, bio-tech, fin-tech).
- **Scalability:** Technology enables rapid replication and distribution at low marginal cost, supporting international growth.
- **Growth Ambition:** Designed for rapid expansion, often targeting international markets.
- **Early-Stage Origin:** Generally established within the past 10 years.

- **High-Risk, High-Potential:** Operates under uncertainty with potential for significant growth or failure.
- **Venture-Backable Profile:** Positioned to attract investment due to high-growth potential and global applicability.
- **Origin:** Founded in New Zealand or Founded by at least one New Zealand citizen.

## 4. Definition of the Stages as follows:

- **Proof of Concept:** The realisation of an idea alongside demonstration that a concept or theory has practical potential. The company is planning out what the product could look like, the problem it wants to solve and the ideal team to help realise this vision.
- **Pre-seed:** The period in which a company's founders are first getting their operations off the ground. Starting to build the product, get a Minimal Viable Product (MVP) and iterating to find a market application.
- **Seed:** Companies use the round of funding to iterate the product and find Product Market Fit. A repeatable go-to-market strategy should also be proven to secure interest from Series A investors.
- **Pre-Series A:** This round is to finance the further strengthening the competitiveness of the product, technology, or service and to help the start-up achieve key milestones as it prepares to scale and gets ready for a Series A round.
- **Series A:** Once a business has developed a record of accomplishment (an established user base, consistent revenue figures, or some other key performance indicator), that company may opt for Series A funding. Scale the **team and expand sales efforts**.
- **Series B:** Series B rounds are all about taking business to the next level, past the development stage so that it can meet the levels of demand. Expansion offshore or into new markets.
- **Series C+:** At this stage, companies have demonstrated significant traction; winning in their targeted industries or geographies and achieved profitability. The capital is for further scaling of their business, to gain market share or expansion into new verticals or geographies.

## 5. Region Classification

Regional classifications align with the boundaries outlined in the Local Government New Zealand (LGNZ) council websites and maps. [↗ Council websites and maps – LGNZ](#)

## 6. Sector Classification

Starting from the H1 2024 data collection, we utilised the vertical and primary sector classifications from Pitchbook, categorising companies into deep-tech, software, and other sectors.

- **Deep-tech:** Start-ups in this category focus on developing technology solutions that address substantial mathematical, scientific, or engineering challenges. [↗ What is deep-tech and why do we invest in deep-tech companies? – NZGCP](#)
- **Software:** This sector encompasses start-ups whose primary offerings include various forms of software, software technology, distribution, and software product development. Products may be offered through subscription models or one-off purchases.
- **AI:** Artificial Intelligence (AI) refers to companies where AI or machine learning technologies form a core component of the product or platform, driving the primary value proposition, rather than simply being used internally to support business operations.

## CONTRIBUTORS

---

NZGCP gathered the information on behalf of the ecosystem. We appreciate the following investors who made significant contributions to the H2 2025 data:

Altered Capital, Angel HQ, Angel Investors Marlborough, Auckland UniServices, Blackbird Ventures, Climate VC Fund, Enterprise Angels, Flying Kiwi Angels, GD1 Fund, Icehouse Ventures, Mainland Angels, Motion Capital, Nuance Capital, Pacific Channel, Punakaiki Fund, Snowball Effect and WNT Ventures.

The dataset includes deals supported by Angels and Venture Capital firms; it excludes Private Equity deals and rounds led by offshore investors.

## DATA COLLABORATION – INVESTORS

---

If you are an investor interested in contributing to our data collaboration, please feel free to contact us at [reporting@nzgcp.co.nz](mailto:reporting@nzgcp.co.nz). Your participation helps enrich the insights and trends within the start-up ecosystem.

## DATA COLLABORATION – START-UPS

---

If you are a start-up interested in contributing to the ecosystem dataset or displaying your company to the ecosystem, we invite you to join the NZ Dealroom platform to raise the profile of your company with both domestic and international investors. [➔ nz.dealroom.co](https://nz.dealroom.co)

Once registered, you can search for other potential investors using the matching tool, explore the NZ start-up ecosystem and advertise any job openings.

## DISCLAIMER

---

The data presented in this publication is the result of voluntary collaboration among investors within the ecosystem. While we strive to capture most deals and reflect the overall trends, some transactions led by non-participating investors may not be included in this report.

Data is provided voluntarily by investors, and while we have undertaken efforts to clean and organize this data, we cannot independently verify its accuracy due to limited resources and restricted access to primary market deals. The information and graphs included in this publication are intended for trend indication and to stimulate discussions within the ecosystem.

Investors are encouraged to conduct their own due diligence and make informed investment decisions based on a comprehensive range of data. New Zealand Growth Capital Partners refuses any responsibility for claims of loss arising from the use of this data.



---

**YOUNG  
COMPANY  
FINANCE**

is prepared  
by NZGCP

To subscribe or comment,  
email [info@nzgcp.co.nz](mailto:info@nzgcp.co.nz)  
or for more information  
visit [nzgcp.co.nz](http://nzgcp.co.nz)

**NZ GROWTH  
CAPITAL PARTNERS**

New Zealand Growth  
Capital Partners

Auckland —  
Level 9, Suite 4  
125 Queen Street  
Auckland 1010

Wellington —  
Level 9  
5 Willeston Street  
Wellington 6011

[info@nzgcp.co.nz](mailto:info@nzgcp.co.nz)

[nzgcp.co.nz](http://nzgcp.co.nz)