# YOUNG COMPANY FINANCE

NZ GROWTH CAPITAL PARTNERS

ANGEL ASSOCIATION NEW ZEALAND

**SPRING | 2026**

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


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# NUMBERS AT A GLANCE

## Deal and investment growth:

H1 2026 saw a continued trend of larger investments into established companies within the New Zealand start-up ecosystem. Encouragingly, there was also renewed activity in early investment, with a rebound in new deals at Proof-of-Concept and Pre-Seed stages.

There were a total of **68 funded deals** recorded, with **$775.7 million invested**. While the number of deals fell slightly by **6.8%** on the same period last year, total funding took another leap forward, growing by **114.5%** and representing a greater amount invested than in all of last year, reflecting the global funding trend.

While one round accounted for half of the total capital invested, the overall trend was toward larger rounds, reflected in the more than **doubling of the average amount invested** per deal. **25 new deals** were reported in H1 2026, the highest recorded for the first half year since 2022.

## Stage profile:

Proof-of-Concept deals rose to **28% of total deal volume**, continuing a rebalancing of investment into earlier stage companies from a low point in 2024. Early Expansion and Expansion stages accounted for **47% of funding rounds** and **87% of total capital invested** in H1 2026.

## Regional trends:

Investment activity became even more concentrated in the main population centres with Auckland, Wellington, and Canterbury regions accounting for **85% of deals** and **98% of funding** in H1 2026.

## Sector trends:

While **Climate-tech and Clean-tech** were the dominant sectors in the New Zealand start-up ecosystem a few years ago, H1 2026 saw a continued rebalancing toward **Software and Other Deep-tech**, with large investments into **AgTech, Space Technology and SaaS** sectors.

**$775.7M**
total investment amount for H1 2026.

**28%**
of successful funding rounds were into Proof-of-Concept stage companies.

**57%**
of deals were led by Venture Capital funds.

*All references in this report to "2026" refer to the **calendar year** (January-December 2026). **H1** and **H2** refer to the **first and second halves of the calendar year** respectively.*[1]

# A record half-year, and early-stage investment is coming back



Bridget Unsworth from the Angel Association of New Zealand

ANGEL ASSOCIATION NEW ZEALAND

**The first half of 2026 tells the story of an ecosystem that is scaling quickly while also beginning to rebuild its foundations. Both trends matter, and both deserve attention.**

## Record capital, at greater scale

The headline is cause for celebration. More capital was invested in the first six months of this year than in the whole of 2025. Larger rounds are no longer the exception. They are becoming a defining feature of the market. New Zealand companies are progressing further, attracting the depth of capital needed to compete internationally, and doing so in sectors with genuine global reach, from Agtech and Space Technology to Software and Other Deep-tech. The growing role of venture capital in leading rounds shows a capital stack that is maturing and gaining sophistication.

## A headline built on a few big rounds

That success needs to be read with some care. A single round accounted for nearly half of all capital invested in the period. This is a remarkable achievement and worth celebrating. It shows that a New Zealand company can raise at a scale that would have been hard to imagine a few years ago. It also means the headline figures rest heavily on a small number of companies. The real strength of an ecosystem is measured not by its largest raise but by the depth of the pipeline behind it.

## New deals are coming back

That is why the most encouraging story for early-stage investors sits beneath the headline. After a difficult period, new deals are clearly recovering. More first-time raises and a stronger share of Proof-of-Concept companies point to a healthy rebalancing toward the earliest stages. This is exactly what a healthy pipeline needs. The large rounds we celebrate today rest on early backing that angels provided years ago, and a renewed flow of new companies is the best indicator that this pattern can continue.

The recovery is still young, and early-stage capital remains a small share of the total. The momentum is real, but it needs ongoing support from angels, from policy settings that encourage early-stage investment, and from clear pathways between angel and venture capital so that today's new deals become tomorrow's follow-on rounds. If attention and capital drift too far toward later stages, the next generation of breakout companies will be harder to find.

## Keeping regional networks connected

The regional picture also calls for reflection. Activity has become more concentrated in the main centres this year. Strong investment networks and founder talent exist across the country. Making sure promising companies outside the main centres can access capital, and that regional angel networks stay active and connected, will be important for the breadth of the ecosystem.

## Building on both trends in H2

Overall, the direction of travel is positive. New Zealand start-ups are attracting more capital, at larger scale, across a more diverse set of sectors than ever before. At the same time, early-stage investment is showing signs of renewal.

The task for H2 2026 is to build on both trends: celebrate the companies reaching new heights, while continuing to back founders at their earliest and most uncertain stages, so the pipeline stays strong and the ecosystem's growth stays broad-based and sustainable.

# Bigger rounds at both ends of the market, let's keep New Zealand capital in the lead



Jacques Richter,
Investment Director at NZGCP

**The first half of 2026 was the strongest six months we have recorded for New Zealand start-up investment. Companies raised $776 million across 68 deals, more than in the whole of 2025.**

As in H1 2025, a single company accounted for close to half of that total, no prizes for guessing which one. Even with that round virtually fenced off, the remaining investment of around $400 million was still higher than the full H1 2025 total, mega-round included, so the growth is not a story about one company.

## Rounds are growing within each stage

It is worth diving a little deeper in the headline average deal size of more than $11 million. The median round, which is a better guide to what a typical company experiences, was around $1 million, lower than in either half of 2025. This mostly reflects a welcome shift in the mix of deals towards the earliest stages rather than shrinking rounds, and within each stage the trend is upward. The median Early Expansion and Expansion round has roughly doubled over the past twelve months, from about $2 million to about $4 million, and seed rounds were also larger than a year ago.

## First rounds haven't kept pace

At the formation end of the market the picture is different. The median first round for a new company was around $500,000, and over the past five years that figure has moved within a fairly narrow band with no clear upward trend. More new companies are raising, with 25 new deals in the half compared with 16 a year earlier, but the amount each receives has not grown in the way it has for companies further along. New companies attracted less than 7 per cent of the capital invested in H1 2026, compared with around a quarter in the first half of 2022.

There is room to grow here. Median early-stage rounds in Australia are roughly twice the size of ours. Founders in capital-intensive areas such as agritech, space and advanced manufacturing are often trying to reach technical milestones on a fraction of what their offshore peers can raise.

A larger first round gives a company more time to build the evidence later investors look for, with less founder time spent fundraising. The Scout trial is intended in part to help by adding co-investment capital to these first rounds.

## Keeping New Zealand investors in the lead for longer

The second issue is where New Zealand investors sit as companies grow. Domestic investors lead most rounds up to and including Series A, but beyond that the lead tends to move offshore. The largest New Zealand-led rounds in our data have been in the $30 million to $40 million range, and every round above $40 million that we have recorded since 2021 was led by an offshore or trans-Tasman investor. In H1 2026, offshore-led rounds accounted for close to three quarters of all capital invested, including the three largest rounds of the half. At Series B and later, the median New Zealand-led round since 2021 has been around $16 million, against around $64 million where the lead came from offshore.

Offshore investment is a positive sign, and we would like to see more of it. International investors bring capital at a scale the domestic market cannot yet provide, along with networks and market access that New Zealand companies need.

The question is not whether offshore capital should participate, but whether New Zealand investors can keep leading, or participating meaningfully, for longer. Later rounds are where much of the absolute return is earned, so staying in the lead, or holding a meaningful position, for one or two more rounds would keep more of that value in New Zealand.

continued >>

## Well short of our potential

The direction is hugely positive, but it is worth keeping the growth in perspective. The base is still small by international standards, and on a per capita basis Israel invests around eight times as much in its start-ups as New Zealand does. Many other OECD countries also invest more in innovation relative to the size of their economies. Comparisons like this are imprecise, but they suggest the market is well short of its potential.

That gap shows the scale of the remaining opportunity. A few years ago, a New Zealand-led round of $20 million would have been unusual. Today local managers are leading rounds of $30 million and more, the number of new companies raising is recovering, and New Zealand start-ups are attracting capital at a scale few would have predicted. Imagine, if you will, an ecosystem five times the scale of the current one, minting a unicorn every year, lifting productivity and creating lasting prosperity for New Zealand. We are on the right trajectory, let's keep New Zealand capital in the lead.

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

2040 Ventures, Altered Capital, Angel HQ, Angel Investors Marlborough, Auckland UniServices, Blackbird Ventures, Climate VC Fund 2, Cultivate Ventures, Cure Kids Ventures, Enterprise Angels, Icehouse Ventures, Mainland Angels, Motion Capital, Nuance Capital, NZVC, Pacific Channel, Sprout Agritech, Punakaiki Fund and WNT Ventures.

# Imagine, if you will, an ecosystem five times the scale of the current one, minting a unicorn every year, lifting productivity and creating lasting prosperity for New Zealand. We are on the right trajectory, let's keep New Zealand capital in the lead.

Jacques Richter,
Investment Director at NZGCP



# FIRST HALF YEAR 2026:

## Start-up ecosystem overview

## What the data shows

In H1 2026, **68 funded deals** were completed, with total capital invested of **$775.7 million**.

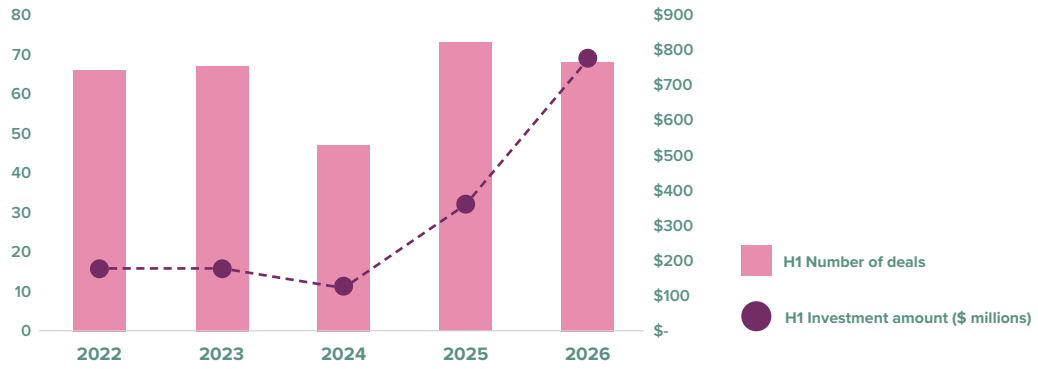
**Deal volume:** Deal activity was highlighted by the rebound in new deals. Although total deal numbers fell by **6.8%** year-on-year for the H1 period, new deals rose to **37%** of all deals recorded for the period. This was a return to the ratio seen consistently through the early years of this decade.

**Investment:** Total capital raised increased by **114.5%**, more than doubling for the second straight H1 period. As occurred in H1 2025, one round (by the same company) accounted for approximately half of total investment for H1 2026, but excluding those rounds, the comparison still shows a 108.2% increase year-on-year.

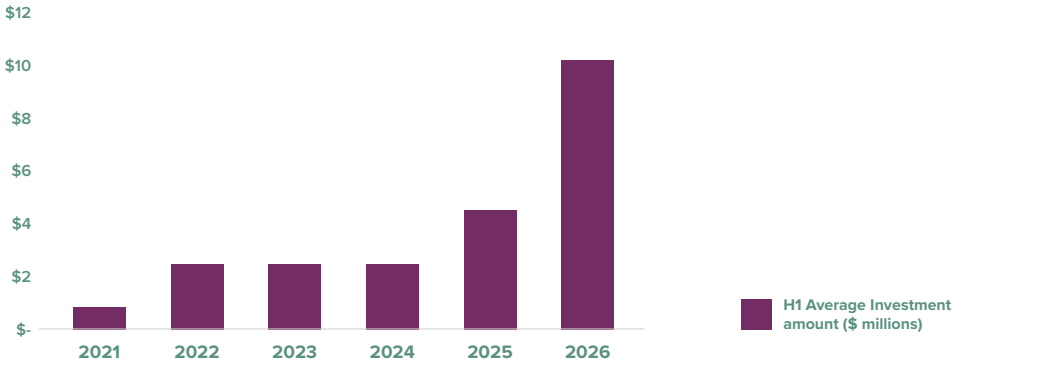
Average investment per deal rose to **$11.1 million**, driven by the number of large funding rounds (>$10 million) increasing from five in H1 2025 to thirteen in H1 2026, with three of those deals exceeding $40 million.

Total investment into new deals saw a three-fold increase year-on-year, from **$14.5 million** to **$50.2 million**. Together with the increase in deal volume for new deals, there are encouraging signs that early-stage investment is recovering.

### H1 2026 Number of Deals and Investment Amount




### H1 2026 Average Investment Amount



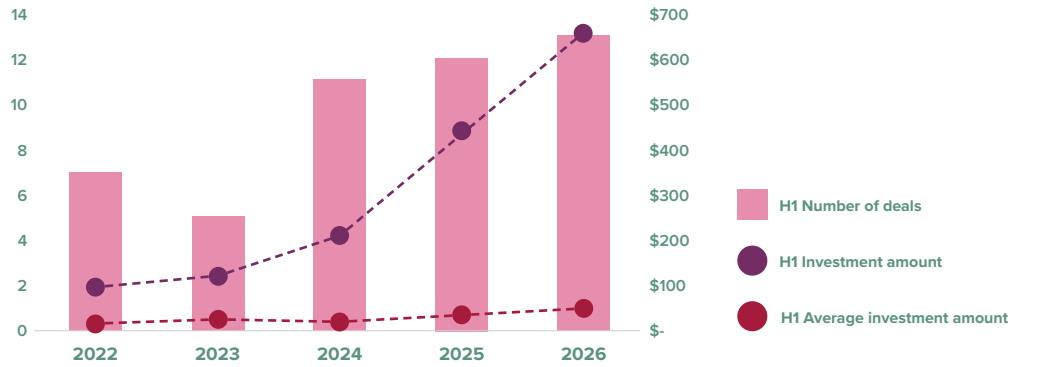

NB. Calculation of the Average Investment Amount excludes any capital invested as part of a rolling close.

## Large Funding Rounds

FY 2025 showed New Zealand's venture market is maturing at the scale-up end, and H1 2026 has continued this trend. This growth was tempered last year by an observed gap in early-stage investment and the need to broaden the pool of new companies entering the ecosystem.

However, H1 2026 showed both a significant year-on-year increase in large funding rounds to later stage companies, and increases in both deal volume and funding into new companies.

### H1 2026 Number of Deals and Investment Amount – Large Funding Rounds (>$10M)



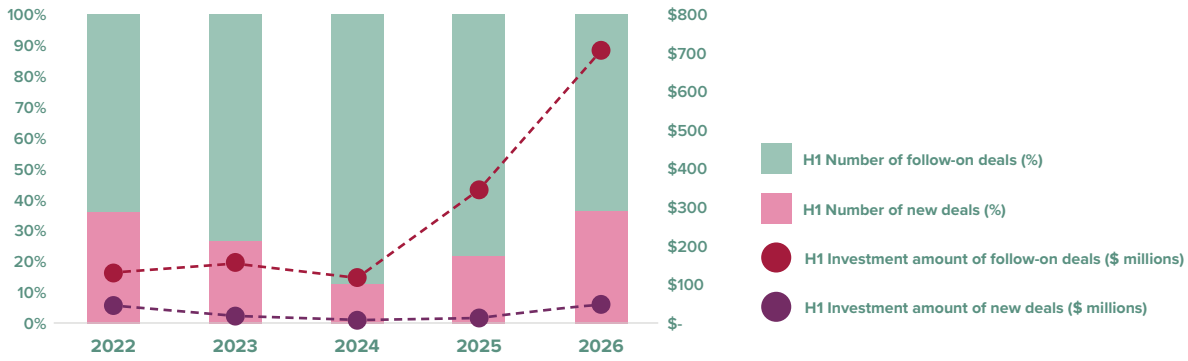

## Deal type breakdown of H1 2026

**Deal volume:** New deals accounted for **37%** of all deals in H1 2026, continuing a two-year linear recovery for the first half year period from the low point in 2024.

**Investment:** Total capital invested in H1 2026 increased by **114.5%** year-on-year, with new deals increasing by **246.3%** and follow-on deals by **109.3%**.

This shows New Zealand start-ups are increasingly attracting new capital, and the ecosystem is well placed to build on this momentum in the second half of 2026.

### H1 2026 Number of Deals and Investment Amount by Deal Type




*In March 2026, Finance and Economic Growth Minister Nicola Willis announced Scout at the Angel Association Summit: a pilot NZGCP fund backing start-ups at the pre-seed stage, when they first seek outside investment to commercialise their ideas.

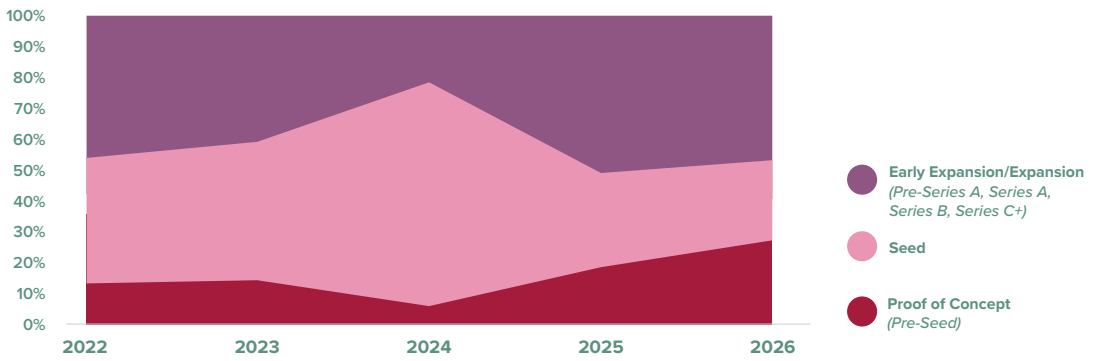
## Stage breakdown of H1 2026

**Deal volume:** A total of **19** Proof-of-Concept (POC) deals were recorded, the highest on record for the first half year period, and the first time in any reported half year period that the number of Proof-of-Concept deals has exceeded the number of Seed stage deals. At **28%**, it was also the highest proportion of POC deals we have reported in an H1 period.

**Investment:** While investment at Proof-of-Concept stage only increased marginally from **3.3%** to **3.8%** in proportion to overall funding, year-on-year POC capital investment increased substantially, from **$12 million** in H1 2025 to **$29.2 million** in H1 2026.

At the other end of the funding spectrum, Early Expansion / Expansion stage continues to account for an increasing proportion of overall investment, on the back of larger funding rounds and significantly higher average investment per deal into established companies.

### H1 2026 Proportion of Deals by Stage



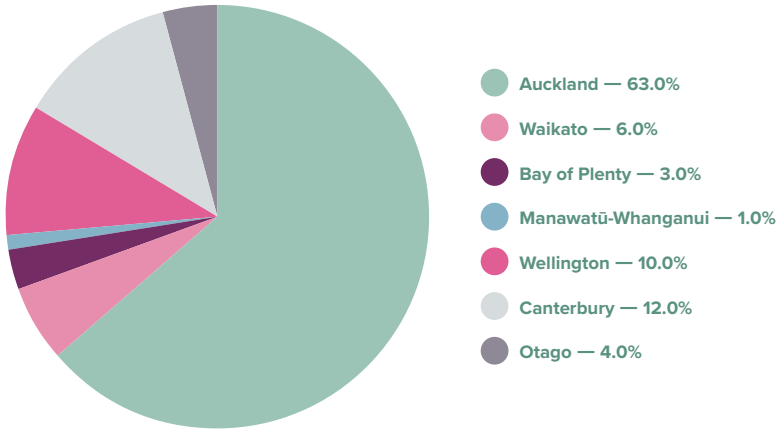
## Regional Breakdown of H1 2026

**Deal volume:** Deal activity was further concentrated in the three main centres, with Auckland increasing its share of all deals to **63%**. Canterbury region increased its share of deals to **12%**, continuing an upward trend in contrast to the steady decline in activity observed in Wellington region.

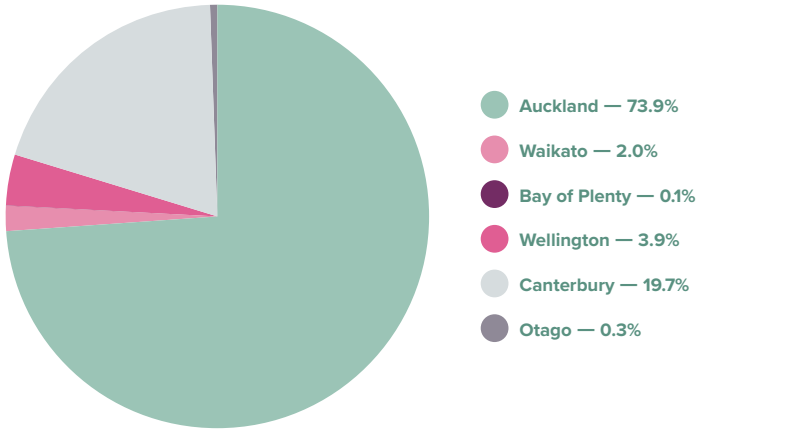
**Investment:** Almost all capital invested in H1 2026 **(98%)** was spread between the three main centres, Auckland, Wellington and Canterbury.

Investment in the Canterbury region was boosted by two of the three largest funding rounds for the period. In total, Canterbury saw three Series B rounds for H1 2026, the first Series B or higher funding rounds we have reported for the region. Auckland region recorded eight $10M+ deals for H1 2026, up from three in the same period last year.

### H1 2026 Proportion of Deals by Region




### H1 2026 Proportion of Investment Amount by Region



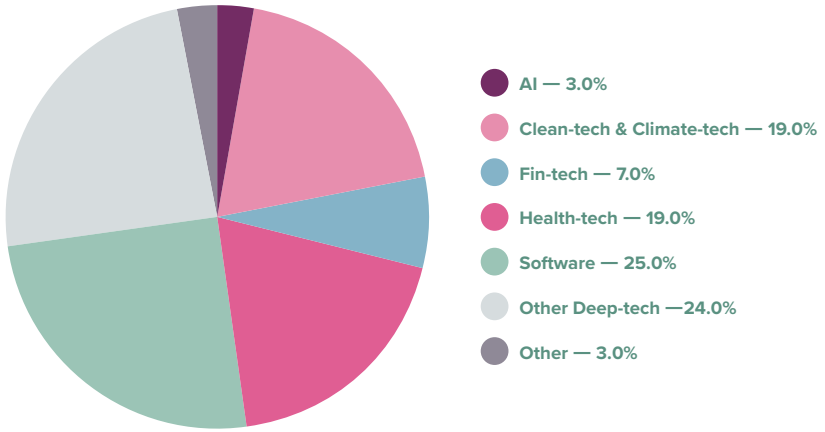
## Sector breakdown of H1 2026

**Deal volume:** The distribution profile of deals by sector for H1 2026 saw only minor fluctuations from the same period last year. Other Deep-tech accounted for one quarter of all deals, with just under half of these deals in the Ag-tech sector, which continues to be one of the leading investment sectors for the New Zealand start-up ecosystem.

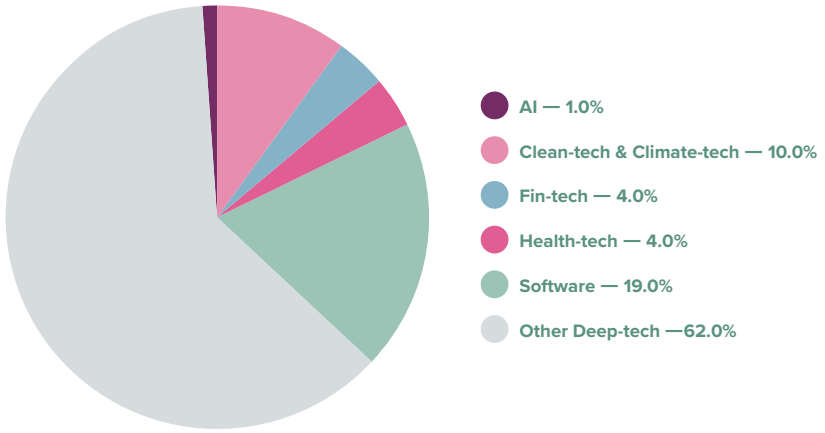
**Investment:** As with deal activity, the year-on-year distribution profile for capital invested by sector showed little material movement among the consolidated sector categories.

Drilling into the sub-sector categories, the most notable increases in capital invested were in the **SaaS** ($96.3 million) and **Space Technology** ($59.3 million) sectors.

### H1 2026 Proportion of Deals by Sector




### H1 2026 Proportion of Investment Amount by Sector



## Lead investor type breakdown of H1 2026

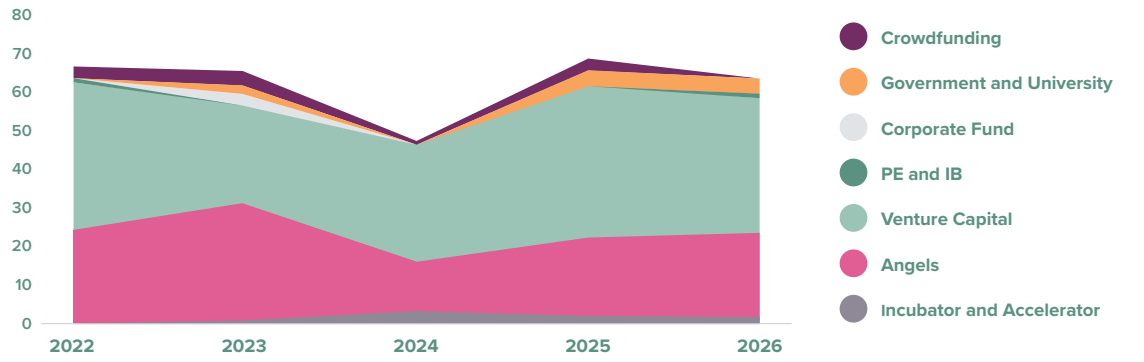
**Deal volume:** The split between Angel-led and Venture Capital-led deals has remained consistent over the first half-year period for the last three years at a ratio of approximately 1:2.

**Investment:** While the number of Angel-led deals kept pace with previous years, capital invested for H1 2026 was proportionally almost entirely VC-led (increasingly by global investors) at **95%** of all funding.

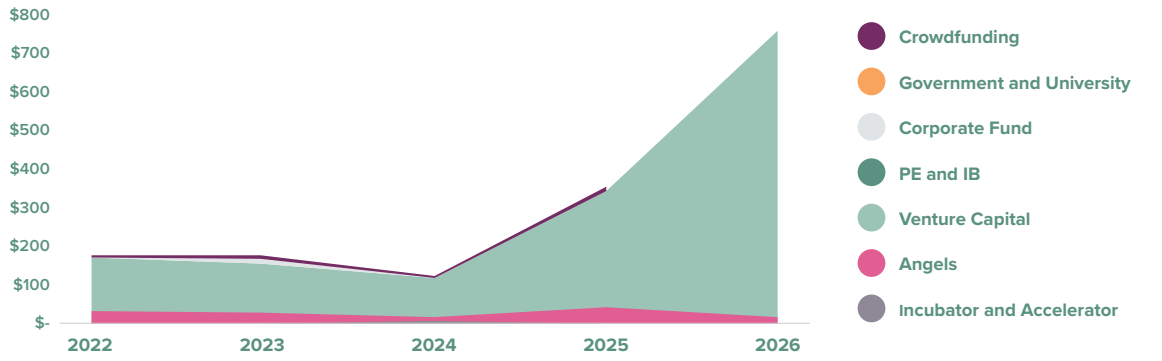
Angel-led investment at **$18.7 million**, was less than half reported for the same period last year and represented only **2%** of all capital invested in H1 2026. This is the first time Angel-led funding, as a percentage of all capital invested, has been recorded below 10% for the first half-year period.

When broken down by stage, Angel-led capital investment accounted for **17.8%** of total investment at Seed stage and **13.4%** at Proof-of-Concept stage.

### H1 2026 Number of Deals by Lead Type

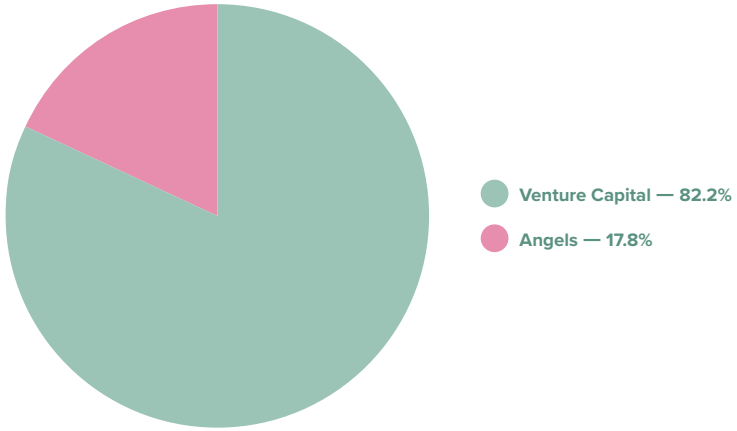



### H1 2026 Total Investment Amount by Lead Type ($ millions)

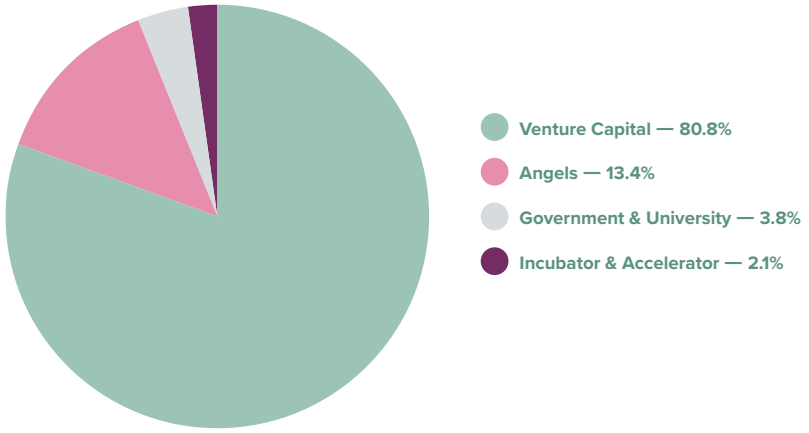


## Lead investor type breakdown of H1 2026 (continued)

### H1 2026 Seed Stage by Lead Type




### H1 2026 Proof of Concept Stage by Lead Type



# TERMINOLOGY



### What is a New Zealand Tech Start-up?

A New Zealand 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.

1. **Technology Core:** Product, service, or platform is enabled by proprietary software, hardware, or Deep-tech (e.g., AI, Bio-tech, Fin-tech).
2. **Scalability:** Technology enables rapid replication and distribution at low marginal cost, supporting international growth.
3. **Growth Ambition:** Designed for rapid expansion, often targeting international markets.
4. **Early-Stage Origin:** Generally established within the past 10 years.
5. **High-Risk, High-Potential:** Operates under uncertainty with potential for significant growth or failure.
6. **Venture-Backable Profile:** Positioned to attract investment due to high-growth potential and global applicability.
7. **Origin:** Founded in New Zealand or founded by at least one New Zealand citizen.

### 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.

### 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 Minimum 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 of 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.

### 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

### 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.

**Other Deep-tech —** Start-ups developing products grounded in significant scientific or engineering advances, typically involving physical technologies, hardware, or novel materials, and characterised by longer development timelines and higher technical risk. This category captures deep-tech companies not classified under the AI, Clean-tech & Climate-tech, or Health-tech sectors, and includes the following sub-sectors: Advanced Manufacturing; Aerospace & Defence; Ag-tech; Food-tech; Materials; Nanotechnology; Pharmaceuticals, Biotech & Life Sciences; Robotics & Drones; Semiconductors & Semiconductor Equipment; Space Technology; Technology Hardware & Equipment; and other deep-tech companies not otherwise classified.

**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.

### Change in Reporting Convention:

[1] 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 "2026" refer to the **calendar year** (January-December 2026). 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.

# CONTRIBUTORS

NZGCP gathered the information on behalf of the ecosystem. We appreciate the following investors who made significant contributions to the H1 2026 data:

2040 Ventures, Altered Capital, Angel HQ, Angel Investors Marlborough, Auckland UniServices, Blackbird Ventures, Climate VC Fund 2, Cultivate Ventures, Cure Kids Ventures, Enterprise Angels, Icehouse Ventures, Mainland Angels, Motion Capital, Nuance Capital, NZVC, Pacific Channel, Sprout Agritech, Punakaiki Fund and WNT Ventures.

The dataset includes deals supported by Angels and Venture Capital firms and excludes Private Equity deals.

# 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. 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

Once registered, you can search for other potential investors using the matching tool, explore the New Zealand 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 organise 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 accepts no responsibility for claims of loss arising from the use of this data.

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