AVESTA INVESTMENT GROUP

EUROMONEY AWARDS FOR EXCELLENCE 2025 UZBEKISTAN BEST INVESTMENT BANK

Venture Capital in Uzbekistan
Market Overview 2025

Executive Summary

- **Venture funding surged from ~$6.3M in 2023 to over $300M in 2025, with deal count rising from 34 to ~140 transactions – a 236% year-on-year increase by October 2025.**
- **Landmark deals defined the year: Uzum raised $70M at a $1.5B valuation, Click was acquired by Halyk Bank for $176.4M, and TBC Bank deployed $75.2M – collectively reshaping the market's scale.**
- **The ecosystem now counts 750+ startups and ~15 active VC funds managing $180M+, with national targets set at $2B in venture investment and 5,000 startups by 2030.**
- **Fintech, AI, and enterprise SaaS dominate capital allocation, driven by high mobile adoption, an underpenetrated banking sector, and policy incentives including tax exemptions in technology zones.**
- **Institutional infrastructure matured with the launch of Imkon Ventures ($5M fund) and continued UzVC co-investment activity, signalling a structural shift from ad-hoc angel rounds to formalized capital allocation.**
- **Structural gaps persist late-stage capital remains scarce, exit pathways are underdeveloped, and ecosystem sustainability is partly contingent on continued state support and foreign participation.**

The scale and pace of change in 2025 were not accidental. Funding volumes reached record highs because several reinforcing forces converged simultaneously. Regulatory reforms streamlined corporate governance and broadened minority shareholder protections, giving foreign investors greater confidence in committing capital. The state played a deliberate catalytic role – through the UzVC fund of funds, IT Park infrastructure, and tax privileges within technology zones – reducing the risk premium that had historically deterred institutional allocators.

Demographics added momentum: a young, digitally native population drove rapid adoption of fintech and e-commerce platforms, expanding the addressable market for venture-backed companies far faster than comparable frontier markets. Internationally, the profile of Uzbek startups improved markedly. Uzum's $1.5B valuation attracted global names such as Tencent and VR Capital, demonstrating that the country could produce outcomes relevant to Asian and Western investors alike. Meanwhile, regional financial institutions including Halyk Bank and TBC Group pursued strategic acquisitions, validating domestic platforms as credible expansion targets rather than speculative bets.

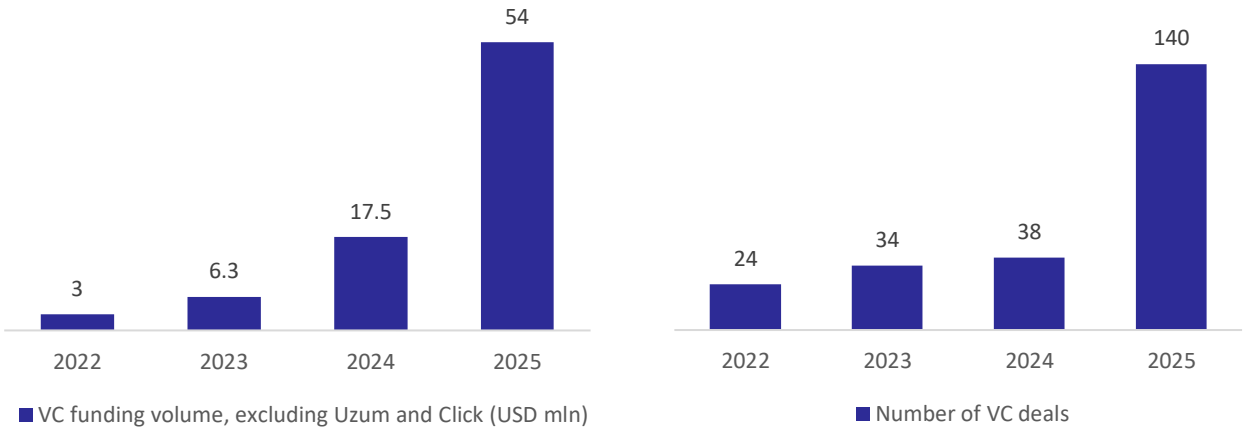
Taken together, these dynamics transformed Uzbekistan from an emerging curiosity into a recognized high-growth frontier market, laying the foundation for continued institutional deepening in the years ahead.

Avesta Investment Group
22, Shahrisabz str., Tashkent, 100015, Uzbekistan
+998 (71) 207-90-70
www.avestagroup.com / info@avestagroup.com

Market Development and Investment Trends

Uzbekistan's venture capital ecosystem has evolved rapidly over the past five years, moving from an almost embryonic stage in 2021 toward significant growth by 2025. The broader startup ecosystem's value was estimated at less than $1 million in 2021, reflecting minimal formalized venture activity. State and private initiatives were beginning to cultivate entrepreneurial activity, but measurable investments remained extremely low.

During 2022 and 2023, early market development became visible. According to RISE Research and KPMG, total venture deals in Uzbekistan in 2023 amounted to just over $6 million – more than double 2022 volumes. Deal count reached 34 transactions, up approximately 1.42 times, with average deal sizes around $204,000. FinTech attracted the highest share of investment, though overall figures remained modest by global standards.



The year 2024 marked a significant inflection point. Uzbekistan's venture investments reached approximately $17.5 million across 38 deals – a near-threefold increase versus 2023 – with average deal size rising to $460,000, signalling stronger investor confidence and more structured rounds. Uzum's emergence as the country's first unicorn, securing $52 million in funding, demonstrated the ecosystem's potential for high-impact outcomes.

By 2025, the acceleration became more pronounced. New funds launched, including the Imkon Ventures vehicle anchored by the state-backed UzVC fund of funds, expanding the institutional capital base. Sector concentration remained in fintech, AI, and enterprise solutions, consistent with investor preference for scalable, export-oriented business models.

Capital deployment in 2025 reached historically high levels, with Uzbek startups attracting approximately $54 million in equity financing – marking unprecedented year-on-year expansion across both deal count and deal size compared with prior periods.

Across the 2021–2025 period, therefore, Uzbekistan's venture capital market transformed from virtually no documented activity to substantial funding flows, increasing institutional participation, and a nascent infrastructure of venture funds and investors. While relatively small compared to global benchmarks, the growth trajectory reflects wider policy support and maturing investor interest, laying the groundwork for further expansion in coming years.

Major Deals & Notable Startups

N	Startups	Product or Service	Founding year	Total Funding	Recent funding	Date	Round type	Investor
1	Uzum	E-commerce fintech	2022	$122 mln	$70 mln	Aug 2025	Mezzanine (Pre-IPO)	Tencent, VR capital
2	TBC bank	Fintech, fin. services	2020	$196 mln	$75.2	July 2024	Mezzanine (Pre-IPO)	TBC Group, EBRD, IFC
3	Click	Fintech	2011	$176.4 mln	$176.4 mln	July 2025	M&A	Halyk bank
4	Iman	Fintech	2020	$6.3 mln	$1 mln	Nov 2025		Angel
5	Data Truck	AI, SaaS	2022	$12 mln	$12 mln	Jan 2026	Series A	Avenue Growth Partners
6	Tass Vision	AI, SaaS	2021	$1.52 mln	€1.5 mln	July 2025	Seed	Purple Ventures, others
7	Billz	SaaS	2017	$12.8 mln	$12 mln	June 2025	M&A	TBC bank
8	Didox	Fintech	2018	$175K	$175K	June 2023	Seed	Aloqa Ventures
9	Mohirdev	Edtech	2021	$750K	$350K	May 2023	Pre-seed	Aloqa Ventures
10	Modme	SaaS	2020	$100K	$100K	Feb 2023	Early stage	UzVC Fund, Sturgeon Capital

The most consequential transaction of 2025 was Uzum's $70 million pre-IPO mezzanine round in August, led by China's Tencent and U.S.-based VR Capital alongside existing investor FinSight Ventures. The round lifted Uzum's post-money valuation to approximately $1.5 billion, cementing its status as Uzbekistan's first unicorn and signalling that global strategic investors are prepared to commit meaningful capital to Central Asian platforms. Uzum's integrated e-commerce, fintech, and digital banking model offers a scalability template that increasingly resonates with international allocators seeking exposure to frontier consumer markets.

Strategic M&A defined another pillar of the year's deal activity. In July 2025, Kazakh financial group Halyk Bank acquired Click – one of Uzbekistan's leading fintech platforms founded in 2011 – in a $176.4 million transaction, the largest single deal in the country's startup history. That same month, TBC Bank Group completed a $75.2 million mezzanine round backed by EBRD and IFC, reinforcing its ambitions in the local market. In June 2025, TBC also acquired SaaS retail platform Billz for $12 million, illustrating how regional financial institutions are using acquisitions of proven platforms as a primary market entry mechanism.

Among AI and SaaS ventures, Tass Vision secured a €1.5 million seed round from Purple Ventures and co-investors in July 2025, targeting expansion of its smart retail analytics platform into MENA and Central Eurasia. In January 2026, Data Truck closed a $12 million Series A led by Avenue Growth Partners – one of the largest pure equity rounds by an Uzbek AI/SaaS company to date – while Iman, an Islamic fintech founded in 2020, raised $1 million in angel capital in November 2025. Earlier-vintage companies also featured: Didox raised a $175K seed from Aloqa Ventures in 2023, edtech platform Mohirdev secured $350K in pre-seed funding, and SaaS startup Modme received $100K in an early-stage round backed by UzVC and Sturgeon Capital.

Collectively, the top ten startups span founding years from 2011 to 2022 and total cumulative funding of roughly $527 million, with the three largest deals alone – Uzum, TBC Bank, and Click – accounting for nearly $494 million. This concentration reflects the market's current structure: a small number of high-conviction transactions anchor aggregate volumes, while a growing base of earlier-stage companies generates breadth. As the ecosystem matures, a broader distribution of capital across stages and sectors will be the key indicator of systemic deepening.

IT Park Ventures also made its initial investments in 2025, deploying $650,000 across three early-stage startups including Unitlab AI and Data Truck, signalling that domestic institutional actors are actively participating alongside global capital in sourcing high-growth ventures.

Venture Funds & Investors

Uzbekistan's venture capital ecosystem has developed substantially over recent years, transitioning from informal angel networks toward formalized funds and structured investor participation. Ten active VC funds now operate across the market, ranging from established international vehicles to newly formed domestic entities, collectively reflecting the growing depth of the investment landscape.

Most active VC funds in Uzbekistan

VC Funds	Yar of est.	Capital invested	Founders	Stage	Focus	Country of Origin
Sturgeon Capital	2006	$300 mln	Clemento Capello	Early stage	Fintech, Software, Marketplace	United Kingdom
UzVC	2020	≈$1.1 mln	Government	Pre-seed, seed	Fintech, Edtech, Agritech	Uzbekistan
Caucasus Ventures	2022	≈$1.2 mln	Mammad Karim	Post-seed, Series A	Tech	Azerbaijan
Aloqa Ventures	2021	≈$10 mln	AloqaBank	Pre-seed, Seed	SaaS, E-commerce, Fintech, AI	Uzbeklistan
IT Park Ventures	2024	≈$7.1 mln	Government	Early stage	AI, Fintech, SaaS, Edtech	Uzbekistan
Finsight Ventures	2004	$500 mln	Alexey Garyunov	Series B+, Growth stage	Fintech, Enterprise IT	USA
Semurg VC	2021	N//G	Ulugbek Mirzamukhamedov	Pre-seed, Seed	AI, Edtech, Fintech	Uzbekistan
DOMiNO Ventures	2021	N/G	Mustafa Kopuk	Seed, Series A	AI, Deeptech, Cleantech, SaaS	Netherlands
Tumar Venture Fund	2021	≈$10-$12 mln	Aslan Sultanov	Growth	AI-enabled B2B SaaS, Fintech	Kazakhstan
Imkon Ventures	2025	≈$1 mln	Tohir Mirzajonov, Mukhammad Khalil	Pre-seed, Seed	Fintech, AI, B2B SaaS, Deeptech	Uzbekistan

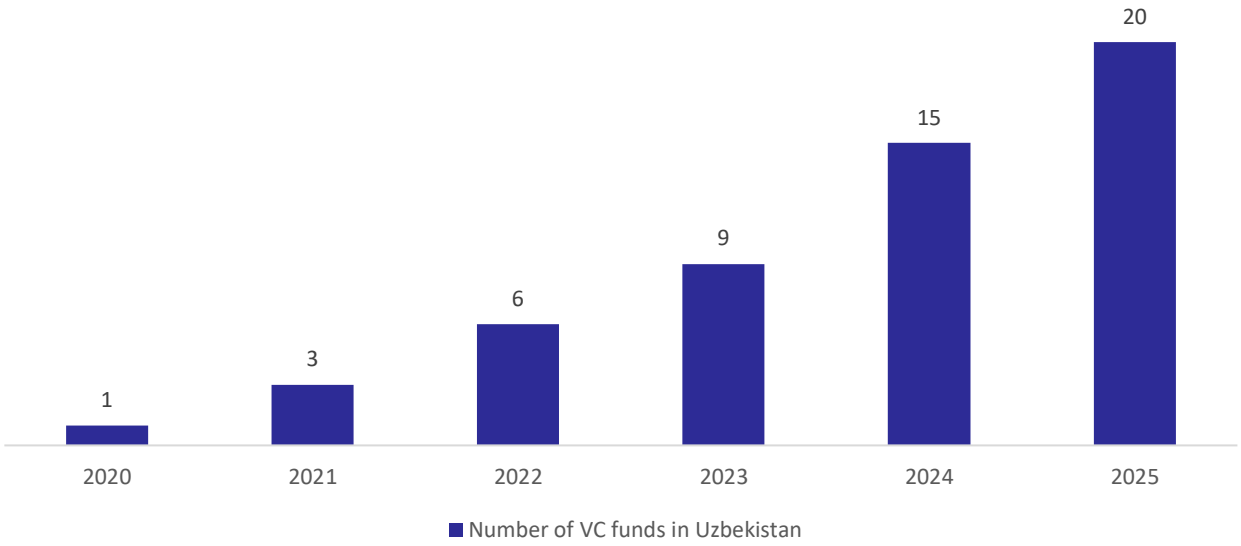
The most significant institutional development of 2025 was the launch of Imkon Ventures, a $1 million early-stage fund established in June 2025 by Tohir Mirzajonov and Mukhammad Khalil, anchored by the UzVC fund of funds. Targeting fintech, AI, B2B SaaS, and deep tech, Imkon plans to back 25–30 companies with typical ticket sizes of $50,000–$150,000 – a structure mirroring early-stage norms in more mature ecosystems and signalling a clear shift from ad-hoc angel deals toward institutionalized capital allocation.

IT Park Ventures, launched in 2024 with approximately $7.1 million deployed, reported in 2025 that it had invested $650,000 across three early-stage companies – including AI-focused Unitlab AI and Data Truck – demonstrating that domestic institutional actors are now systematically deploying capital alongside global participants.

Aloqa Ventures, backed by AloqaBank and active since 2021 with ~$10 million deployed, has provided seed capital across SaaS, e-commerce, fintech, and AI ventures including Paidax, EGARANTI, Kinestex, Tridmo, and Renta – illustrating how domestic bank-backed funds are broadening the early-stage capital base beyond any single institution.

The ten funds listed span four countries and a wide range of mandates. At the institutional scale, UK-based Sturgeon Capital leads with $300 million in capital invested since 2006, focusing on fintech, software, and marketplace platforms across the region. Finsight Ventures, a USA-headquartered vehicle with $500 million under management, targets Series B and growth-stage deals in fintech and enterprise IT, having co-led Uzum's 2025 round. On the domestic side, UzVC – established by the government in 2020 – remains the primary anchor fund, having deployed approximately $1.1 million at pre-seed and seed stage in fintech, edtech, and agritech companies.

Number of Venture Capital funds in Uzbekistan



Among newer domestic vehicles, IT Park Ventures – launched in 2024 with approximately $7.1 million deployed – targets AI, fintech, SaaS, and edtech at early stage and has already made its first investments in companies such as Unitlab AI and Data Truck. Aloqa Ventures, backed by AloqaBank and active since 2021 with ~$10 million invested, covers a broad mandate spanning SaaS, e-commerce, fintech, and AI at pre-seed and seed stages. Imkon Ventures, the most recently established domestic fund (2025, ~$1 million), is backed by UzVC and targets 25–30 startups in fintech, AI, B2B SaaS, and deep tech with ticket sizes of $50,000–$150,000, exemplifying the shift toward structured institutional capital allocation.

Regional funds also play a growing role. Kazakhstan-based Tumar Venture Fund has invested $10–$12 million in AI-enabled B2B SaaS and fintech at growth stage, while Azerbaijan's Caucasus Ventures (~$1.2 million deployed) focuses on post-seed and Series A tech deals. Netherlands-based DOMiNO Ventures targets AI, deeptech, cleantech, and SaaS at seed-to-Series A. Semurg VC, a domestic fund active since 2021, deploys pre-seed and seed capital into AI, edtech, and fintech. The combination of these actors – across four geographies and multiple stages – indicates that Uzbekistan's investor landscape has diversified well beyond its initial reliance on government capital.

Despite these advances, the Uzbek venture capital market remains comparatively small by global standards. Total institutional capital under management is still in the low hundreds of millions, and most arrangements occur at early stages given limited exit pathways and nascent secondary markets. However, the combination of domestic fund launches, angel networks, strategic foreign investment, and public capital support reflects meaningful deepening of the investor base.

Sector Composition and Capital Allocation

Uzbekistan's venture capital market is structurally concentrated in technology-enabled business models, with capital directed toward fintech, e-commerce, AI, and digital infrastructure. Sector composition reflects the broader economic transformation agenda prioritizing financial inclusion, digital public services, and scalable tech exports. The majority of venture transactions between 2022 and 2025 have targeted software-centric and platform-based companies rather than capital-intensive industries.

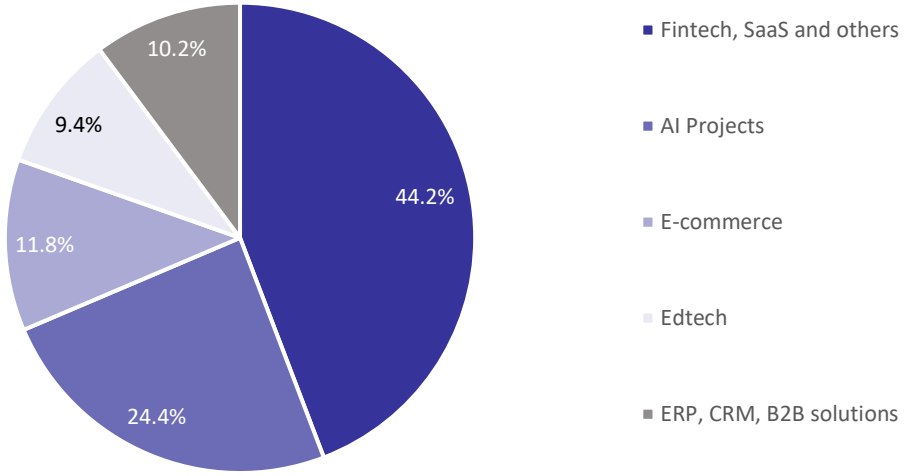
Fintech consistently represents the dominant segment by invested capital. Digital payments, consumer lending, and embedded finance have created a favorable environment for venture-backed growth, supported by Uzbekistan's underpenetrated banking system, strong mobile adoption, and ongoing regulatory modernization. Fintech has captured both the largest individual rounds and sustained early-stage deal flow.

E-commerce and marketplace platforms constitute the second major allocation category, with funding focused on ecosystem development, logistics, and integrated payment infrastructure. Vertically integrated platforms combining retail, payments, and financial services have attracted both domestic and international capital. Deal frequency may fluctuate with macroeconomic conditions, but the sector remains a structural pillar of venture allocation due to its scalability and regional expansion potential.

Artificial intelligence, SaaS, and enterprise technology have gained increasing share of allocation, particularly at pre-seed and seed stages, with smaller ticket sizes but higher deal counts. Growth of IT outsourcing, engineering talent, and state-supported infrastructure has driven capital into AI analytics, automation, and productivity software. Cumulative capital directed toward software ventures has grown steadily as the ecosystem matures.

HealthTech and EdTech have also received targeted capital allocations, particularly in response to structural reforms in healthcare digitization and education modernization. Health-related startups have attracted investment in telemedicine, diagnostics platforms, and digital health management solutions, while education technology ventures have benefited from Uzbekistan's young demographic profile and demand for upskilling. However, compared to fintech and e-commerce, these sectors represent a smaller proportion of total invested capital and are characterized primarily by early-stage funding.

Capital Allocation by Sectors



The Uzbek venture market remains early-stage heavy, with the majority of deal count between 2022 and 2025 at pre-seed and seed. Capital concentration skews toward growth rounds when larger transactions occur – particularly in fintech and platforms – meaning annual funding volumes can be disproportionately influenced by one or two late-stage deals.

Sector diversification remains limited compared to more mature markets. Deep tech, climate technology, and biotechnology have seen minimal allocation to date due to limited domestic R&D infrastructure and longer payback horizons. Government initiatives to broaden innovation financing could gradually expand sector exposure over the medium term.

Policy Environment and Structural Support

Uzbekistan's venture capital ecosystem has developed within a reform-driven policy framework centred on digital transformation, private sector expansion, and economic diversification. Venture financing is increasingly viewed not only as a funding mechanism but also as a structural tool to modernize the economy and expand technology exports. A core element of this strategy is the use of state-backed catalytic instruments: rather than funding startups directly, the government supports venture fund formation through co-investment structures and anchor commitments that reduce early-stage risk and attract private capital. Regulatory reforms have strengthened the legal environment by improving corporate governance, minority shareholder protections, and business registration, while greater transparency around equity ownership and foreign participation has increased investor confidence.

Tax incentives and special economic regimes further support ecosystem development, particularly through preferential conditions for resident companies in technology zones that lower operating costs and improve capital efficiency. IT Park Uzbekistan plays a central role by providing infrastructure, accelerators, mentorship, and export support, concentrating innovation activity within a coordinated platform. Broader capital market reforms aim to improve long-term venture sustainability by gradually expanding exit opportunities and strengthening domestic financial markets. Although constraints remain—including limited institutional capital and evolving exit pathways—the policy environment reflects a coherent strategy to support innovation-driven growth and the continued development of Uzbekistan's venture ecosystem.

Outlook

Uzbekistan's venture capital market is transitioning from ecosystem formation to early-stage expansion. Although still small by international standards, structural reforms, rapid digital adoption, and demographic momentum support a constructive medium-term trajectory.

Capital deployment will remain concentrated in fintech, e-commerce, and software-driven models. Fintech should continue attracting a disproportionate share of funding given financial inclusion trends and regulatory modernization, while enterprise software and AI services are likely to gain seed-stage share as technical talent improves and export orientation strengthens.

The maturation of domestic venture funds will be critical for ecosystem resilience. Stronger local fund management and institutional governance standards can reduce reliance on episodic foreign-led rounds. However, capital depth will remain constrained unless domestic institutional investors begin allocating to alternative assets. Enabling regulatory adjustments could materially strengthen the funding base.

Exit capacity remains the primary structural limitation. Strategic acquisitions are expected to dominate liquidity events, while public market exits will likely remain limited in the near term. Consequently, aggregate funding volumes may continue to fluctuate depending on the timing of larger transactions.

Overall, the outlook is structurally positive but execution-dependent. Continued policy consistency, capital market development, and successful scaling of portfolio companies into regional platforms will determine whether Uzbekistan's venture ecosystem evolves into a self-sustaining growth cycle.

Contacts

Avesta Investment Group LLC

22, Shahrisabz str.
Tashkent, 100015, Uzbekistan

Tel: +998 (71) 207-90-70
E-mail: info@avestagroup.com
Official website: http://www.avestagroup.com

The information and opinions in this report were prepared by Avesta Investment Group or one of its affiliates (collectively "Avesta"). The information herein is believed by Avesta to be reliable and has been obtained from public sources believed to be reliable, but Avesta makes no representation as to the accuracy or completeness of such information.

The research analysts responsible for the preparation of this report receive compensation that is based upon, among other factors, Avesta's overall revenues. Avesta may engage in securities transactions in a manner inconsistent with this research report and with respect to securities covered by this report, will sell to or buy from customers on a principal basis.

Disclosures of conflicts of interest, if any, are discussed at the end of the text of this report or on the Avesta Investment Group's website at http://www.avestagroup.com.

Opinions, estimates and projections in this report constitute the current judgement of the author as of the date of this report. They do not necessarily reflect the opinions of Avesta and are subject to change without notice. Avesta has no obligation to update, modify or amend this report or to otherwise notify a reader thereof in the event that any matter stated herein, or any opinion, projection, forecast or estimate set forth herein, changes or subsequently becomes inaccurate, or if research on the subject company is withdrawn. Prices and availability of financial instruments also are subject to change without notice.

This report is provided for informational purposes only. It is not to be construed as an offer to buy or sell or a solicitation of an offer to buy or sell any financial instruments or to participate in any particular trading strategy in any jurisdiction. The financial instruments discussed in this report may not be suitable for all investors and investors must make their own investment decisions using their own independent advisors as they believe necessary and based upon their specific financial situations and investment objectives.

If a financial instrument is denominated in a currency other than an investor's currency, a change in exchange rates may adversely affect the price or value of, or the income derived from, the financial instrument, and such investor effectively assumes currency risk. In addition, income from an investment may fluctuate and the price or value of financial instruments described in this report, either directly or indirectly, may rise or fall. Furthermore, past performance is not necessarily indicative of future results. Unless governing law provides otherwise, all transactions should be executed in the investor's home jurisdiction.

Additional information relative to securities, other financial products or issuers discussed in this report is available upon request. This report may not be reproduced, distributed or published by any person for any purpose without Avesta prior written consent. Please cite source when quoting.

© 2003-2026 «Avesta Investment Group».