

# Bangladesh Startup Investments Report 2025: Year In Review

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An Ecosystem Between Pause and Progress

January 2026

# Foreword

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The past year has been a period of adjustment for Bangladesh's economy and its startup ecosystem. Operating under an interim government, the ecosystem navigated a phase where investors and founders took a measured approach amid evolving policy, regulatory, and compliance considerations. During this time, capital deployment remained selective, with a focus on risk management and structural resilience.

As the country moves toward an elected government, there is cautious optimism that greater policy clarity and institutional continuity will support improved investor confidence. A more predictable environment can help founders and investors plan over longer horizons, particularly in areas such as cross-border structuring, compliance processes, and capital deployment.

Recent policy initiatives aimed at strengthening the startup financing landscape signal constructive intent. Going forward, the emphasis will increasingly need to be on **effective execution**. Timely implementation, consistent interpretation by institutions, and visible deployment of announced measures will be critical to translating policy intent into practical outcomes for the ecosystem.

At the same time, the startup ecosystem itself has become more active and engaged. Regular events, roundtable discussions, and investment-focused forums have strengthened dialogue among founders, investors, regulators, and ecosystem enablers. This growing engagement is an encouraging sign, supporting better alignment and shared understanding of opportunities and constraints.

This report reflects an ecosystem in transition. While funding outcomes in 2025 were shaped by a small number of large transactions, the period also highlights the importance of execution, governance, and coordinated action. With continued engagement and disciplined implementation, the ecosystem is positioned to move toward more consistent and sustainable growth.



**Shoumik Shahriar**

Sr. Business Consultant & Project Manager,  
LightCastle Partners



**Ameera Fairouz**

Sr. Business Consultant,  
LightCastle Partners

# Executive Summary

In 2025, Bangladesh's startup ecosystem recorded **USD 124 Mn in total funding across 12 deals, compared to USD 42 Mn in 2024**. This increase was driven by a single late-stage M&A transaction, **the USD 110 Mn investment backing the formation of SILQ Group**. As a result, overall funding volumes rose sharply even as deal count declined and early-stage activity remained constrained.

Capital deployment during the year was characterized by **fewer but larger transactions**. The top three deals accounted for approximately **95% of total capital deployed**, lifting average ticket sizes and shifting the capital mix toward late-stage and strategic investments. **Late-stage and M&A transactions represented over 90% of total funding value**, while early-stage funding declined in both share and volume, despite a rise in average ticket size.

Global investors continued to dominate Bangladesh's startup funding landscape, **contributing approximately 99% of total capital in 2025**. Within these flows, **Gulf-based investors emerged as a notable source of capital, accounting for roughly one-third of global funding for the year**. Local investor participation remained limited, **contributing less than USD 1 Mn across three deals**, highlighting ongoing constraints in domestic capital mobilization.

The year witnessed **Financial Services sector secure USD 110 Mn (89% of total funding)**, driven primarily by the SILQ deal. Other active sectors, including software, e-Commerce, energy, and education, collectively accounted for a small share of total capital, reflecting investor preference for scale-ready, revenue-visible business models under tighter capital conditions.

From a macro perspective, Bangladesh continues to exhibit a gap between economic fundamentals and startup investment intensity. While real GDP growth and demographic scale remain supportive, **startup investment stood at approximately 0.03% of GDP**, pointing to a structural gap between economic fundamentals and venture capital formation.

Overall, 2025 reflected a year of concentrated capital deployment rather than broad-based market recovery. Large strategic transactions lifted aggregate funding figures, but sustaining momentum will require greater depth and continuity in investment activity across stages, sectors, and investor types.





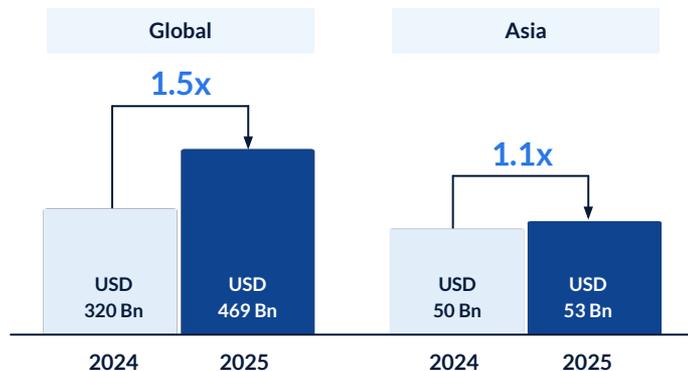
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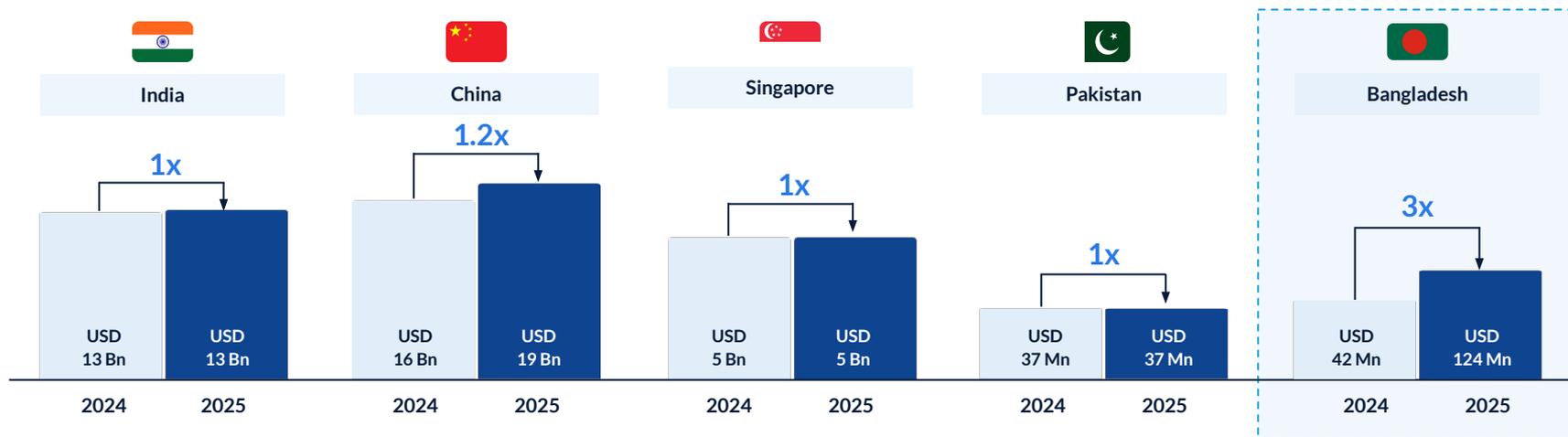
# Global Startup Investments Witnessed A Recovery In 2025

## With Investments In Bangladesh Growing 3x Compared To Regional Counterparts



### Global Startup Investments Overview

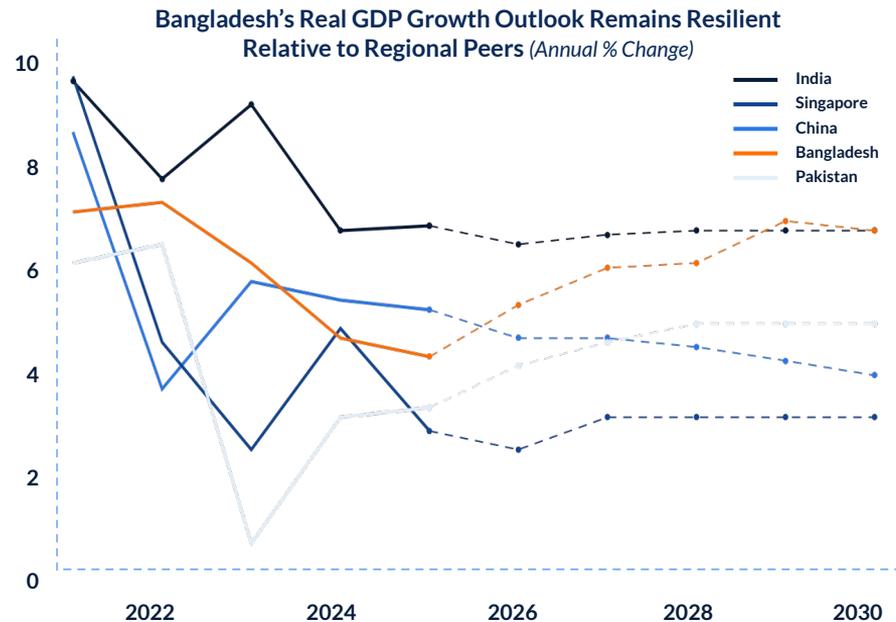
Global startup funding increased by ~47% year-on-year in 2025, reaching USD 469 Bn, supported primarily by late-stage and AI-led mega rounds (48% Venture funding for AI companies). Asia saw a more modest increase from USD 50 Bn in 2024 to USD 53 Bn in 2025, reflecting selective capital deployment. In Bangladesh, funding increased from USD 42 Mn to USD 124 Mn, driven by a USD 110 Mn M&A deal; excluding this deal, funding stood at ~USD 14 Mn.



# Bangladesh's Economic Fundamentals Remain On Par In South Asia

## Creating Possibilities To Scale Capital Deployment In The Coming Years

	GDP Per Capita	Startup Investment Per Capita	Startup Investment as % of GDP
India	USD 2,818	USD 9	.3%
China	USD 13,806	USD 14	.1%
Singapore	USD 94,481	USD 872	1%
Pakistan	USD 1,707	USD 0.2	.01%
Bangladesh	USD 2,734	USD 0.7	.03%

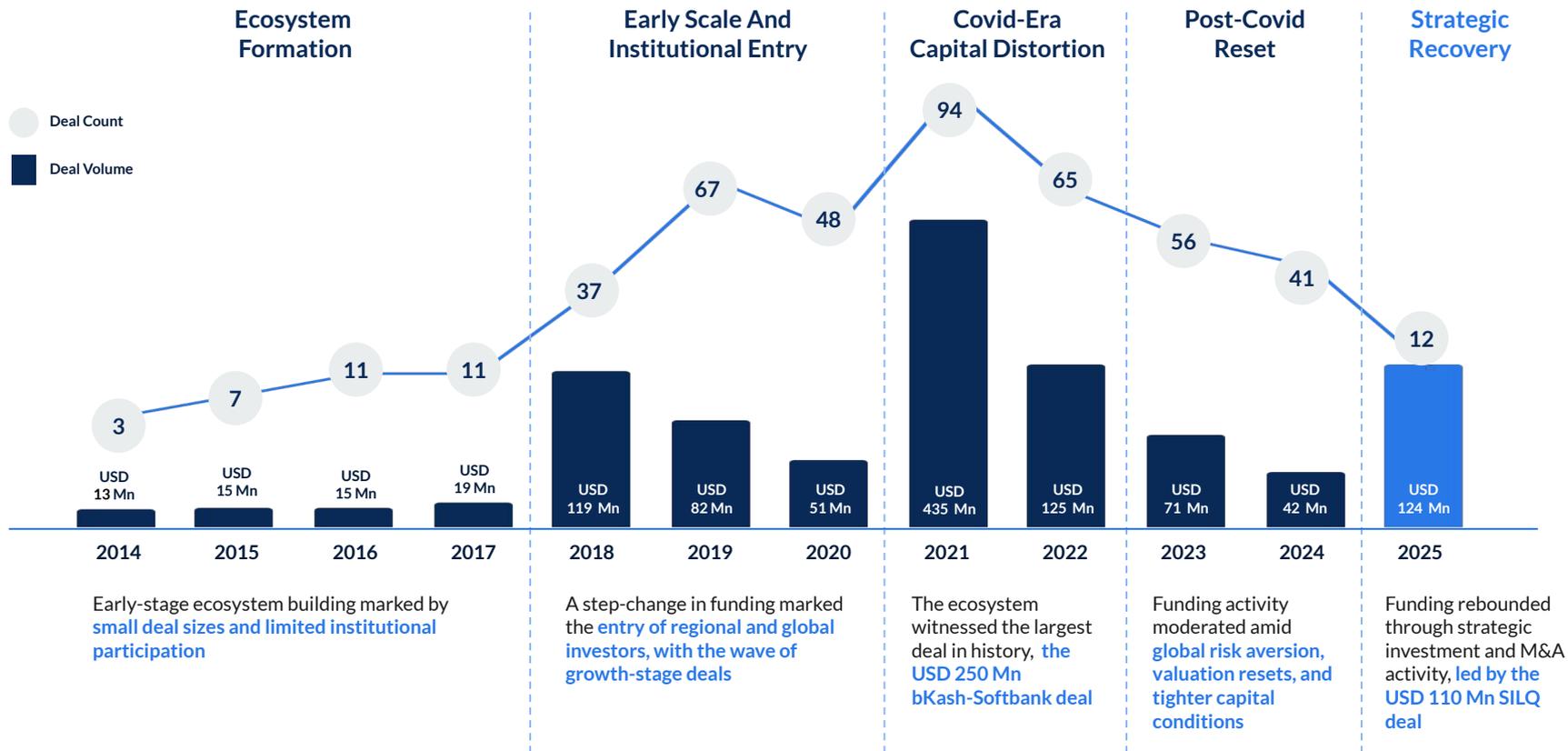


### Bangladesh's Growth-Investment Gap

Bangladesh's real GDP growth contrasts with **low startup investment intensity (~.03% of GDP)**, highlighting a clear growth-investment gap. Early signs of political consolidation and macro stabilization have improved **policy predictability**, supporting demand recovery and medium-term growth. While real GDP growth and demographic scale remain supportive, startup investment represented roughly 0.03% of GDP in 2025, suggesting that capital formation has yet to scale in line with the country's underlying economic potential.

# The Startup Ecosystem Has Undergone Multiple Shifts Over The Years

## As This Year Recorded The Second Largest Deal Since 2021



# Capital Deployment In 2025 Reflected Fewer But Larger Transactions With The Top Three Deals Accounting For ~95% Of Total Funding



**USD 124 Mn**

Total Investments Raised

**12**

Investment Deals Made

**97%**

Venture Capital Funding

**92%**

Late-Stage Investments

**USD 110 Mn**

2nd Largest Deal Till Date, M&A - SILQ

**USD 10 Mn**

Average Ticket Size  
Excluding SILQ, average ticket size ~USD 1 Mn

**99%**

Funding From Global Investors

**89%**

of Total Funding in Financial Services

**95%**

of Funding Concentrated in Top 3 Deals

# Investor Preference Shifted Towards Growth And Strategic Rounds

## While Early-Stage Activity Remained Selective

		2024	2025	YoY Change
Early Stage	Grant	USD 897 K (9 Deals)	USD 1 Mn (3 Deals)	▲ 1.3x
	Pre-Seed	USD 2 Mn (8 Deals)	USD 60 K (1 Deal)	▼ .03x
	Seed	USD 7 Mn (8 Deals)	USD 5 Mn (5 Deals)	▼ .08x
	Pre-Series A	USD 4 Mn (5 Deals)	USD 3 Mn (1 Deal)	▼ .08x
Late Stage	Debt	USD 7 Mn (3 Deals)	No Investments	N/A
	Series A	USD 21 Mn (6 Deals)	No Investments	N/A
	Series B+	USD 170 K (1 Deal)	USD 5 Mn (1 Deal)	▲ 27x
	M&A	No Investments	USD 110 Mn (1 Deal)	N/A

### Larger Ticket Sizes Defined Capital Deployment In 2025

Capital shifted toward late-stage and strategic transactions in 2025, with 92% of total funding concentrated in late-stage and M&A deals.

Early-stage funding became more selective, with average ticket sizes rising from USD 451 K in 2024 to USD 948 K in 2025, despite a drop in total share (33% to 8%).

Late-stage average ticket size expanded from USD 3 Mn in 2024 to USD 57 Mn in 2025, driven by a small number of large transactions.

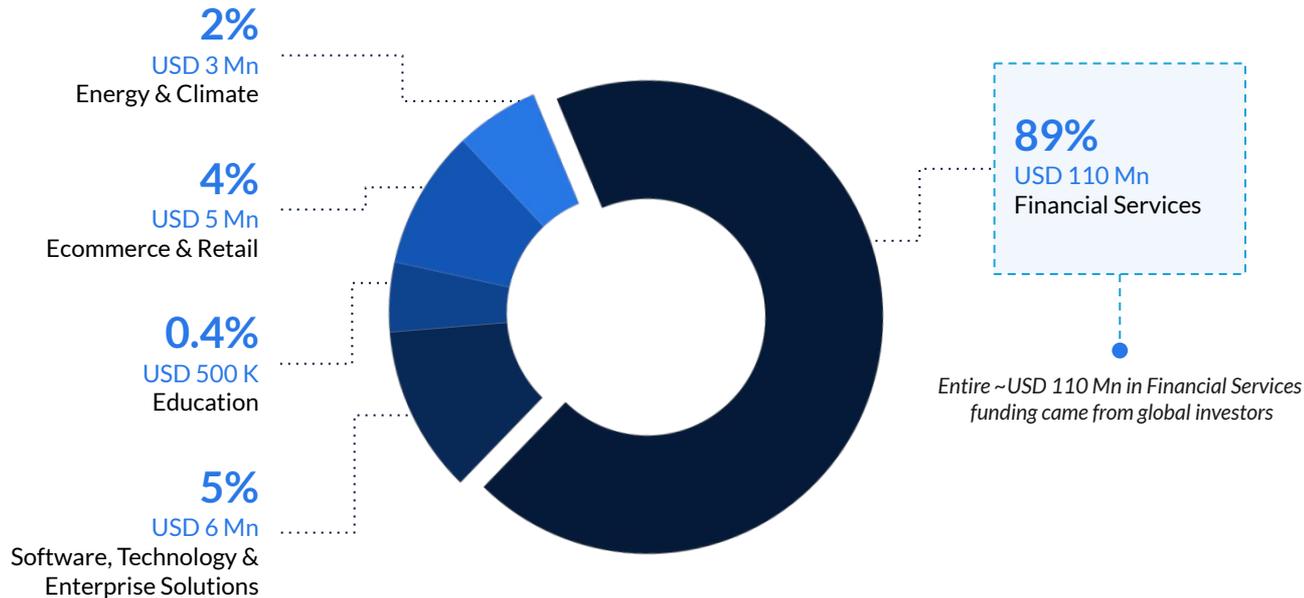
\*\*N/A: Not applicable due to zero investment in one of the comparison years.

# Venture Capital Firms Continue To Dominate Amongst Investors

## Having An Average Ticket Size Of USD 6 Mn



# Majority Funding Was Concentrated Towards Financial Services Sector Primarily Due To The ShopUp–Sary Merger Forming SILQ



## Sectoral Funding Became More Concentrated In 2025

In 2025, sectoral funding saw concentration compared to 2024. Financial Services funding rose from **USD 12 Mn (28% of total funding) across 7 deals in 2024 to USD 110 Mn (89%) from just 2 deals in 2025**, driven by large transactions. In contrast, sectors such as **software, e-Commerce, education, and energy collectively accounted for ~72% of funding in 2024, but fell to ~11% in 2025**, reflecting a shift in investor preference toward scalable, revenue-generating sectors in tighter capital conditions.

# Global Capital Remained The Primary Funding Driver

## With Gulf-Based Investors Expanding Bangladesh's International Capital Base



### Reliance On Global Capital Deepened Year-On-Year

Global investors' share of total funding increased from ~97% in 2024 (USD 41 Mn) to ~99% in 2025 (USD 123 Mn), despite a sharp decline in deal count

### Gulf Capital Emerged As A Meaningful Contributor

Around one-third of global funding in 2025 came from Gulf-based investors, marking a shift from prior years and broadening Bangladesh's international capital base beyond traditional Western funds

### Local Capital Participation Declined In Both Volume And Value

Local investor activity declined from 8 deals (USD 1 Mn) in 2024 to 3 deals (USD 684 K) in 2025, highlighting ongoing constraints in domestic capital scale

# Translating Episodic Capital Inflows Into Sustained Growth Will Require Alignment Across Investors, Policy, And Ecosystem Enablers

## Early-Stage Capital Participation

## Strengthening Policy Execution

## Improving Startup Capital Readiness

1

Sustained capital deployment will require investors to engage earlier in the founder journey, beyond late-stage or inflection-point transactions. More structured sourcing, founder engagement, and pre-investment support can help broaden the pool of scale-ready opportunities. This would reduce capital concentration and support more consistent deal flow.

2

Local investor participation remains limited in both volume and value, reflecting constraints in scale, risk appetite, and market familiarity. Rather than competing with global investors in large late-stage deals, domestic capital can play a more effective role at seed, pre-Series A, and structured co-investment stages. Targeted incentives, clearer frameworks, and co-investment platforms could help mobilize local capital where it is most additive.

3

Recent measures such as [Bangladesh Bank's Startup Financing Directives](#), Share Swap Framework, and Fund of Funds target key capital constraints. Their impact will depend on uniform bank-level interpretation, faster approvals, and visible fund deployment. Consistent execution will be central to sustaining investor confidence.

4

The dominance of financial services in 2025 reflects investor preference for revenue visibility and scale, but excessive concentration increases ecosystem vulnerability. Investors and intermediaries should actively identify and support scale-ready opportunities in adjacent sectors such as software, logistics, climate solutions, and enterprise services, where revenue models are clearer and capital efficiency can be demonstrated within current risk parameters.

5

As capital conditions tighten, investors increasingly expect clearer unit economics, cash-flow visibility, and basic governance well before growth rounds. Startups should prioritize financial controls, structured reporting, and realistic growth planning earlier in their lifecycle. Ecosystem support organizations can reinforce this by shifting from pitch-focused support to deeper operational and financial readiness programs.



# Authors & Editors

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**Israk Faruquee**

*Lead Author*

Business Analyst,  
LightCastle Partners



**Ameera Fairouz**

*Editor*

Sr. Business Consultant,  
LightCastle Partners



**Shoumik Shahriar**

*Editor*

Sr. Business Consultant & Project Manager,  
LightCastle Partners



**Bijon Islam**

*Editor*

Chief Executive Officer,  
LightCastle Partners

# Key Partners

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Startup Bangladesh Limited is the flagship venture capital fund of ICT Division and the first and only venture capital fund sponsored by the government of the people's republic of Bangladesh. Starting its journey on March 2020 with an allocated capital of BDT 500 crores (USD 65 million), this effort aims to enable the nation to innovate faster, create new jobs, develop technical skills, and realize the vision of Digital Bangladesh. The fund supports technology-based innovations to create new employment opportunities, promote under-represented tech groups, foster entrepreneurship culture and bring transformational changes to lives of millions

Know more @ [www.startupbangladesh.vc](http://www.startupbangladesh.vc)



Anchorless Bangladesh is a New York-based early stage venture capital fund dedicated to investing in fundamentally critical businesses required to empower Bangladesh's socio-economic growth. Led by a diverse team of internationally experienced investors working with exceptional founders, the fund activates unique opportunities across the country by harnessing global capital to deliver outsized financial returns while optimizing for social impact. They invest across industries, with a focus on fintech, healthcare, agriculture, garments, education, logistics and SaaS, primarily at the seed stage, and work actively with local partners to further accelerate the quality and growth of the ecosystem.

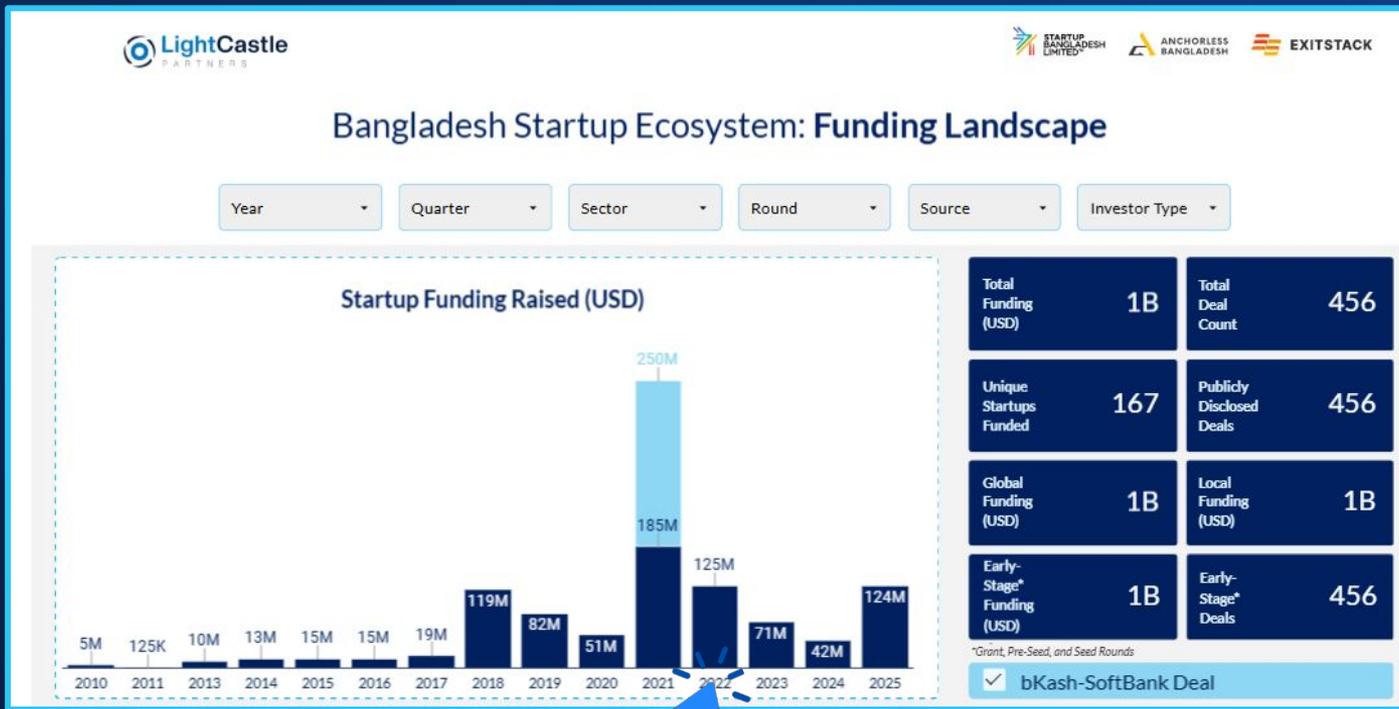
Know more @ [www.anchorless.vc](http://www.anchorless.vc)



ExitStack is an online platform featuring stories, deal news, and analysis about Bangladeshi and diaspora startups. It aims to share insights on companies and founders to everyone, including potential investors and partners, around the world. ExitStack's thesis as a knowledge sharing platform is rooted on the ambition to broadcast Bangladesh's narrative and minimize the information asymmetries prevailing in the ecosystem.

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# Explore Bangladesh's Startup Funding Trends In Real Time



Explore the Dashboard

# Previous Publications



## Bangladesh Startup Investments Report 2025: H'1 Review

July 2025

## Bangladesh Startup Connect 2025 Report

April 2025



## Bangladesh Startup Investments Report 2024: A Year In Review

January 2025

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# Thank You \_\_\_\_\_



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**Bangladesh Office:**

214/D, Navana Osman @ Link, 3rd  
Floor  
Gulshan-Tejgaon Link Road, Dhaka  
1208, Bangladesh.

**Singapore Office:**

36 Robinson Road, #20-01 City House,  
Singapore 068877

**USA Office:**

1221 24th Street NW  
Washington DC, 20037

Email: [info@lightcastlepartners.com](mailto:info@lightcastlepartners.com)

Mobile: +88 01744 736 621, +88 01711 385  
988

Web: [www.lightcastlepartners.com](http://www.lightcastlepartners.com)

Other Platform: [www.investbangladesh.co](http://www.investbangladesh.co)