Startup Investments

A Handbook for Investors and Entrepreneurs

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BINOVATIVE
Empowering Innovation

Welcome!

This handbook is designed to guide startup founders, angel investors, venture capitalists, and companies looking to collaborate with or invest in startups. It simplifies the complexities of the dynamic startup ecosystem while addressing the challenges of entrepreneurship and investment. Our goal is to empower investors and entrepreneurs alike with practical tools and strategies to unlock the potential of startups.

Whether you're making financial and strategic decisions, preparing for investor meetings, or planning your next steps, this book will be your guide at every stage. For founders, we break down essential performance indicators (KPIs), metrics, and strategies for financial planning, sustainable growth, and navigating the investment process. From crafting compelling investor presentations to mastering due diligence, negotiating contracts, and finalising deals, this book simplifies the legal and financial steps every entrepreneur needs to know.

For investors, we highlight the nuances of investing in startups, focusing on key aspects like valuation, risk management, and the building blocks of successful investments.

This handbook is more than just a guide — it's a resource for real-world success. It demystifies the terminology of the startup world, blending practical advice with actionable insights to help you tackle challenges with confidence. Founders and investors alike will find tips to enhance their understanding, make informed decisions, and build lasting partnerships.

Take the first step in your startup journey with this handbook. Together, let's shape the future through innovative ideas and smart investments.

Definitions

Interim Period	The period between the signing date and the closing date.
Key Performance Indicator (KPI)	A measurable key value used to assess the success of a company.
Monthly Recurring Revenue (MRR)	Predictable monthly revenue in a subscription-based business model.
Drag Along	The right of a majority shareholder to force a minority shareholder to sell their shares to a third-party buyer when an offer is made to the majority shareholder for the company's shares.
Tag Along	The right of minority shareholders to sell their shares on the same terms if a third-party buyer makes an offer for the majority shareholder's shares.
Gross Profit Margin	The ratio of gross profit, which is calculated by deducting the cost of sales from the revenue of product or service sales to total sales.
Exit	The sale of all the shares held by a shareholder in a start-up company.
Emission Premium	The difference between the nominal value and the issue price of a share when it is issued at a higher value than its nominal value in a capital increase.
Revenue Growth Rate (RGR)	Measures the percentage increase in revenue over a given period.
Closing Date	The date on which the investment is legally and actually completed.
Customer Retention Rate CRR)	The rate at which users continue to use a product over a given period.
Customer Acquisition Cost (CAC)	The average cost incurred to acquire new customers.
Churn Rate	The percentage of customers lost in a given period
Runway	Indicates how long a company can maintain its operations with the current cash flow.
Net Profit Margin	The ratio of a company's net profit, after deducting all costs and its total sales.

Term Sheet	A generally non-binding document that sets out the basic terms under which a potential investor and an entrepreneur enter into discussions about a potential investment, with the aim of formalising these terms in a signed agreement that leads to a closing.
Material Adverse Change Clause (MAC clause)	A clause that gives the investor the right to withdraw from the investment if a material change affecting the startup occurs prior to closing.
Return on Equity (ROE)	Indicates how efficiently a company utilises its equity.
Market Penetration Rate	Represents the percentage of the target customer base in the relevant market that has been reached with a product or service.
Shareholders Agreement (SHA)	The main agreement that sets out the terms of the investment transaction and the rights and obligations of the parties involved.
Pitch Deck	A presentation that gives potential investors an overview of the business plan, products, and services.
Burn Rate	Indicates how much money a company spends in a given period of time.
Return on Investment (ROI)	Indicates the return generated by an investment
Annual Recurring Revenue (ARR)	Represents the amount of recurring revenue a company generates annually.

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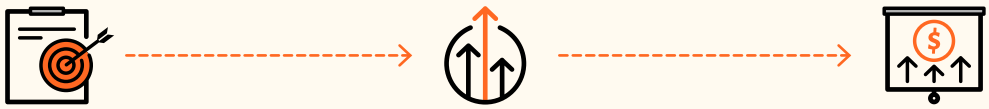
Preparation Stage Before the Investment

Basics



Business Plan

Develop a detailed and comprehensive business plan. Clearly articulate your vision, mission, and goals. Highlight the unique features and value proposition of your product or service.

Market Research/ Competitor Analysis

Perform an in-depth analysis of your target market and customer segments. Evaluate your competitors and position in the market thoroughly, identifying both your strengths and areas for improvement.

Financial Projections:

Prepare detailed forecasts for revenue, expenses, and profitability. Use concrete data to show investors how their investment will generate returns.

Key Performance Indicators (KPIs) ve Metrics

To build a successful startup, it's not enough to develop and launch an innovative product; you must also scale your business sustainably. Every decision shapes the future of your venture, making data-driven decisions essential. Tracking and analysing the right metrics play a critical role in increasing your startup's success. In this context, key performance indicators (KPIs) offer a concrete way to measure progress and validate strategies.

Speed is a critical factor in the startup world. Founders should pursue metrics that bring them closer to their KPIs and aim for rapid scalability. The faster you enter the market, the sooner you can generate revenue, which can then be reinvested to reduce dependence on external capital. Moving slowly often results in higher costs and increases the risk of competitors replicating your project.

Of course, moving in the right direction is just as important as speed. Setting accurate KPI targets is, therefore, essential to a startup's success. Building a successful startup doesn't require optimising every metric; prioritising the right ones is enough.

Startup founders can use two different approaches to set their targets:

1. Top-Down approach:
This involves setting a target completion date and working backward from that date to create a plan.

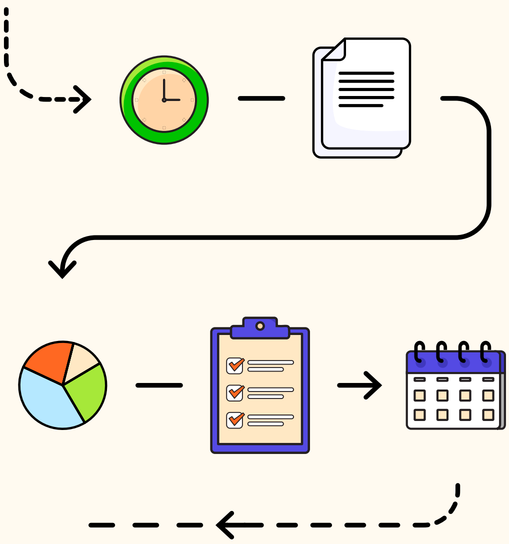
2. Bottom-Up approach:
This requires an honest assessment of what can realistically be achieved in the near term and using this evaluation to set a target completion date.

Applying both approaches periodically ensures that targets are realistic, achievable, and ambitious.

How to Select the Right Key Metrics

1. ***Define Primary Goals:***
   Start by identifying the primary goals your startup aims to achieve. The primary metric should indicate whether the startup is viable. For most startups, this metric could be the Revenue Growth Rate.

2. ***Use Secondary Metrics:***
   Secondary metrics ensure you're moving in the right direction. For example, the Customer Retention Rate and Churn Rate are excellent secondary metrics.



3. ***Avoid Vanity Metrics:***
   Vanity metrics make founders feel good but provide little insight into the company's growth. For instance, tracking website visitor numbers is a vanity metric since it doesn't indicate whether visitors are genuinely interested in the product or service.

4. ***Ensure Team Alignment:***
   The team should agree on metric definitions and adhere to them consistently. For example, an "active user" could mean someone who uses the product daily, weekly, or twice a month. Defining such terms ensures clarity.

5. ***Focus on Actionable Metrics:***
   Ensure that chosen metrics are actionable. KPIs should not just be numbers; they should represent data that can be improved through specific actions. Comparing metrics to industry standards is also an effective way to evaluate performance.

6. ***Align with Overall Strategy:***
   Metriklerin startup'ın genel stratejisiyle uyumlu olması gereklidir. Metrikler, karar mekanizmalarının tek dayanağı olmamalı, startup'ın genel stratejisi ve diğer faktörlerle birlikte değerlendirilmelidir.

7. ***Move Quickly and Stay Flexible:***
   Avoid indecision; act quickly. Even in the worst-case scenario, fast action and rapid failure help eliminate bad ideas and bring you closer to the right ones faster.

→ Metrics help identify problems. To find a solution, you must first diagnose the issue correctly.

→ Set specific goals for each metric.

→ You don't need to track every metric from day one. Start with the four or five most useful ones.

KPIs and key metrics provide an objective way to assess your startup's performance. These insights form the cornerstone of your pitch deck and investor presentations. By effectively showcasing these KPIs and metrics, you can clearly demonstrate your company's financial health, growth potential, and operational efficiency. This allows you to powerfully convey the value of your startup and build investor confidence.

Monthly Recurring Revenue (MRR)

Monthly recurring revenue (MRR) represents the recurring monthly income generated from your existing customers. Understanding and tracking MRR is crucial for demonstrating to investors the stability and growth readiness of your startup. For investors, MRR is one of the primary indicators used to evaluate your company's growth potential and financial health.

To calculate MRR, simply sum the monthly fees of all active subscribers. ***For deeper analysis, consider examining Net MRR using the formula:***

Net MRR = New MRR + Expansion MRR – Contraction MRR – Churned MRR.

This provides a more detailed view of revenue growth and customer churn.

MRR reflects not only revenue but also customer loyalty. It is a critical metric for measuring steady, recurring revenue streams, as well as customer satisfaction and retention. Regular monitoring and analysis of MRR are, therefore, essential for a startup's long-term success.

TIPS

- **Track MRR Trends:** Monitor MRR trends to analyse your monthly growth rate and customer behaviours. These trends help you continuously assess your startup's performance, identifying periods of growth or stagnation to inform strategic decisions.
- **Increase MRR with Upselling:** Upselling to existing customers is one of the most effective ways to increase MRR. Offer additional services or premium plans to current customers. Upsell strategies not only increase revenue per customer but also enhance customer satisfaction and loyalty.
- **Identify Growth Challenges:** Low MRR growth may indicate potential customer churn or market saturation. If this occurs, it could mean your startup is facing challenges such as a high churn rate or a saturated market. In such cases, consider developing new customer acquisition strategies or exploring new markets to drive growth.

Annual Recurring Revenue (ARR)

For subscription-based business models, annual recurring revenue (ARR) helps establish a predictable income stream. ARR is a key indicator of a startup's financial health and growth potential, as well as an essential tool for planning future revenue projections and growth strategies.

ARR is calculated by annualising monthly subscription revenues, multiplying monthly income by twelve, or summing the annual contract values for each customer segment.

One-time sales or variable revenues are not included in ARR calculations; only regular, recurring revenues are considered. ARR tracks not only revenue growth but also customer churn, providing a clear measure of the sustainability of your business model. Regular monitoring and analysis of ARR are, therefore, crucial for the long-term success of startups.

TIPS

- **Highlight ARR for Investors:** ARR plays a pivotal role for investors when evaluating the long-term sustainability and profitability of a startup.
- **Focus on Reducing Churn:** Low churn rates lead to high ARR growth, which reassures investors. A low churn rate demonstrates strong customer satisfaction and loyalty.

This not only boosts ARR but also instils confidence that the startup can retain and grow its customer base.

- **Leverage Additional Services:** To increase total ARR, consider adding regular and recurring services to your offerings. These services can be included in ARR calculations, making your revenue streams more predictable.

- **Offer Premium Services:** Upselling premium services or features to existing customers is an effective way to boost ARR. These strategies demonstrate that your startup is innovative and customer-focused, signalling long-term growth potential to investors.

Revenue Growth Rate (RGR)

Accurately calculating your revenue growth rate is essential for capturing investors' attention. **Revenue growth rate (RGR)** is a key metric that measures the percentage increase in revenue over a specific period. For investors, it's a vital indicator of your company's growth potential.

The formula for calculating RGR is:
CPR: *Current Period Revenue*
PPR: *Previous Period Revenue*

$$\text{Revenue Growth Rate} = \frac{(CPR - PPR)}{PPR} \times 100$$

This formula provides a clear view of net growth and enables you to compare performance across different periods. By tracking this metric consistently, you can evaluate whether your growth strategies are delivering results.

RGR is not only tied to sales increases but also to cost optimisation and customer loyalty. A high growth rate often reflects effective marketing and sales strategies, efficient cost management, and strong customer satisfaction.

- **Upsell and Cross-Sell to Existing Customers:** Cross-selling products or services and offering upsell opportunities to current customers can significantly drive revenue growth. Expanding what your loyal customers purchase enhances their lifetime value and contributes to steady growth.

- **Increase Marketing Efficiency:** Focus on cost-effective marketing channels with higher ROI to reduce marketing expenses while boosting your RGR. This can be achieved by concentrating on high-yield channels and eliminating unnecessary spending.

Runway

Runway is a key metric that indicates how long a startup can sustain its operations with its current cash flow. It is highly significant for investors as it helps assess a startup's survival potential. Runway duration is typically calculated by dividing the current cash balance by monthly expenses.

Both fixed and variable expenses should be considered in runway calculations. Investors prefer startups to maintain a runway of at least ***twelve to eighteen months***. Extending the runway involves strategies such as reducing costs, increasing revenue, and securing new funding sources.

Some startups also create an additional ***"buffer runway"*** to cover unforeseen expenses, ensuring cash flow stability during tough times. Runway duration is critical not only for survival but also for growth and scaling strategies. A longer runway increases your chances of staying in the market and gaining a competitive edge. During this period, you can make strategic investments and strengthen your market position to capitalise on growth opportunities.

TIPS

- **Double Your Runway:**
  After calculating your runway, aim to double it through strategic moves. A solid financial strategy goes beyond cost control and actively maximises revenue streams.

- **Cost Management:**
  Regularly review your expenses and eliminate unnecessary spending. Strive to enhance operational efficiency and reduce costs through process automation.

- **Revenue Growth:**
  Create cross-selling or upselling opportunities within your existing customer base to boost revenue. Additionally, conduct market research to identify new customer segments and expand your market.

- **Diversify Funding Sources:**
  Seek additional funds from investors, apply for grants, or establish strategic partnerships to secure alternative funding sources and strengthen your financial position.

Consistently implementing these strategies will help extend your startup's runway and enhance its resilience and scalability in competitive markets.

Customer Churn Oranı

Customer churn rate is a key metric for subscription-based business models, reflecting the percentage of customers who stop using a product or service over a specific period. A low churn rate indicates high customer satisfaction and loyalty, whereas a high churn rate often signals issues with product quality, customer service, or pricing.

To calculate the churn rate:

CBP: *Number of Customers at the Begining of the Period*
CEP: *Number of Customers at the End of the Period*

$$\text{Churn Rate} = \frac{(CBP - CEP)}{CBP} \times 100$$

For example, if you start January with 100 customers and end February with 90, your churn rate is:
[(100 – 90) / 100] × 100 = 10%

High churn rates can significantly slow company growth and, in extreme cases, lead to closure. Regular monitoring of churn rates and proactive strategies to reduce them are, therefore, essential for sustaining long-term growth.

TIPS

- **Track and Analyse Customer Feedback:**
  Gather feedback regularly to understand customer pain points and address them effectively. Knowing why customers leave is the first step toward reducing churn.

- **Improve Customer Support:**
  Enhancing customer service can strengthen relationships and build loyalty. Quick response times and personalised support can go a long way in retaining customers.

- **Review Pricing Strategies:** Ensure your pricing aligns with customer expectations and perceived value. Offering flexible pricing plans or discounts for long-term commitments can help reduce churn.

Regularly implementing these strategies will lower churn rates, enhance customer satisfaction, and strengthen retention, ensuring sustainable growth for your startup.

Burn Rate

Burn rate reflects how much cash a startup spends over a specific time period. Monitoring and accurately calculating burn rate is crucial for assessing a startup's sustainability. It is especially significant for investors and founders, as it indicates how long the company's cash reserves can last.

For example, if your monthly expenses are 50,000 TL and revenue is 30,000 TL, your burn rate is 20,000 TL.

Typically, burn rate is calculated monthly and can be broken down into two categories:

1. ***Gross Burn Rate:*** This is the total amount of money the startup spends each month, including operating costs, salaries, rent, marketing expenses, and other operational costs.

2. ***Net Burn Rate:*** This reflects the monthly net cash loss. It is calculated by subtracting operating expenses from revenue. If a startup generates revenue, the net burn rate will be lower than the gross burn rate.

A positive burn rate indicates that the company spends more than it earns, while a negative burn rate suggests that revenue exceeds expenses. Factors influencing burn rate include operating expenses, marketing and advertising costs, R&D expenses, salaries, and other operational outlays.

- **Burn Rate as an Investor Metric:** Investors evaluate burn rate to gauge how long a startup can operate with its current funding and often base investment decisions on this metric.

- **Optimise Costs and Increase Revenue:** Founders should aim to reduce burn rate by optimising costs and increasing revenue streams. Alternatively, they should prepare for new funding rounds if necessary.

- **High Burn Rate in Growth Phases:** A high burn rate might raise concerns for investors about a startup's sustainability. However, for startups in a growth phase with an aggressive market approach, a higher burn rate can be expected. In such cases, a solid revenue model and strong investor support are essential to maintaining this level.

- **Signal Efficiency with a Low Burn Rate:** A low burn rate signals efficient operations and effective resource management, which can inspire confidence among investors.

Customer Retention Rate (CRR)

Customer retention rate (CRR) is a key metric for startups that measures the ability to retain existing customers over a specific period. This metric is financially critical, especially in industries where the cost of acquiring new customers is high. CRR is also a strong indicator of customer satisfaction and loyalty, helping startups evaluate the success of their customer relationships.

CRR is typically calculated as follows:

CEP: *Number of Customers at the End of the Period*
NC: *Number of New Customers During the Same Period*
TC: *Total Customers at the Start of the Period*

$$CRR = \frac{(CEP - NC)}{TC} \times 100$$

Regular monitoring of CRR aids in optimising customer relationship management (CRM) strategies. A high CRR indicates that a startup is effectively retaining its customer base, often reflecting strong performance in customer service, product quality, and overall customer satisfaction.

To improve CRR, startups should focus on enhancing the customer experience, offering personalised services, and making improvements based on customer feedback. A decline in CRR could signal customer dissatisfaction or attraction to competitors' offerings. Consistent monitoring and adjustments are essential for maintaining and improving CRR.

TIPS

- **Boost Profitability with Higher CRR:** Enhancing CRR supports long-term profitability and sustainable growth. On average, reducing customer churn by just 5% can increase profits by 25–95%.
- **Leverage Customer Loyalty Programs:** Loyalty programs and regular customer engagement have a positive impact on CRR. Loyalty programs, in particular, can boost CRR by up to 30%.
- **Prioritise Retention as Much as Acquisition:** Retaining existing customers is as crucial as acquiring new ones. Conduct customer satisfaction surveys and regularly review your CRM strategies to identify and address areas for improvement.

Customer Acquisition Cost (CAC)

Customer acquisition cost (CAC) represents the total cost incurred to acquire a new customer. It is typically calculated by dividing total marketing and sales expenses by the number of customers acquired. Understanding the cost of gaining a new customer is critical for a successful venture. Approaching investors without knowledge of this cost could be a significant strategic misstep!

A low CAC is highly appealing to investors, as it indicates that customer acquisition doesn't require extensive spending. However, when evaluating CAC, factors such as the customer's long-term value (LTV) and loyalty should also be considered. A high CAC is not necessarily negative if balanced by a high LTV. An effective customer acquisition strategy should aim to secure not only cost-effective but also high-quality and loyal customers.

TIPS

- **Analyse Marketing Costs:** Evaluate the effectiveness of digital ads, content production, SEO efforts, and event investments. Track the customer count and cost of each marketing channel, focusing on those that deliver the highest return on investment (ROI).
- **Consider Sales Expenses:** Include direct sales-related expenses such as sales team salaries, sales software, and training costs. Understanding their impact on overall CAC enables more efficient budget management.
- **Optimise CAC Over Time:** Reduce costs by improving customer experience and increasing conversion rates.

Analyse the customer journey and address weak points. A/B testing and user feedback provide valuable insights for refinement.

- **Calculate CAC for Different Customer Segments:** Break down CAC by customer segment to evaluate profitability for each. This approach ensures your marketing and sales strategies are more targeted and efficient.
- **Leverage Organic and Referral Acquisitions:** Organic and referral acquisitions often have the lowest CAC. Invest in strategies like customer referral programs and SEO to achieve lower long-term costs and higher profitability.

Return on Investment (ROI)
Return on Investment (ROI) is one of the most valued metrics in the decision-making process for investors. It serves as a critical indicator for measuring the profitability of an investment. ROI is calculated by dividing the net gain by the investment cost, and it is typically expressed as a percentage:

NG: *Net Gain*
IC: *Investment Cost*

$$ROI = \frac{NG}{IC} \times 100$$

ROI can evaluate both short-term and long-term investment performance. For an accurate ROI analysis, it's essential to account for all expenses and gains. This comprehensive approach enables an objective comparison of different investment scenarios, helping you make more informed decisions.

However, a high ROI shouldn't always be viewed positively. Higher returns often come with higher risks. It's crucial to consider risk factors when calculating ROI. Additionally, overlooked hidden costs may lead to misleading results, making a full cost analysis indispensable.

For startups, ROI should encompass not only financial returns but also non-monetary values like customer satisfaction and brand equity. This broader perspective offers a more accurate reflection of the investment's true value and supports the development of sustainable growth strategies.

Return on Equity (ROE)
In the world of entrepreneurship, return on equity (ROE) is one of the most critical metrics for impressing investors. ROE reflects how efficiently a company utilises its equity and serves as a key indicator of both financial performance and management effectiveness. It is calculated by dividing a company's net income by its shareholders' equity:

NG: *Net Gain*
SE: *Shareholders' Equity*

$$ROE = \frac{NG}{SE} \times 100$$

ROE provides insight into how well a company is using its resources to generate profit. A high ROE indicates that the company is utilizing its equity efficiently and is profitable, making it especially attractive to long-term investors. However, a low ROE isn't necessarily a negative sign. It may be temporary, impacted by new investments or expansions that lower the ratio in the short term while setting the stage for future growth.

TIPS

- **Ensure Accurate Calculations:** Ensuring accuracy when calculating net income and shareholders' equity is essential for an accurate ROE. Missteps in these figures can skew the ratio, leading to misleading results.

- **Strategies to Increase ROE:** Companies can boost ROE by improving profitability or using equity more effectively. Streamlining operational efficiency and optimising capital allocation are common strategies to achieve this.

- **Use Industry Benchmarks:** ROE values vary across industries, so always compare ROE with industry-specific averages. For example, companies in capital-intensive industries might naturally have lower ROE than those in less capital-intensive sectors. This contextualisation helps investors make more informed evaluations.

Market Penetration Rate

Market penetration rate is a critical metric for evaluating a startup's growth potential. It not only measures how effectively a product or service performs within the market but also provides insights into competitive positioning. The rate is calculated using the formula:

CC: *Current Number of Customers*
TM: *Total Target Market Size*

$$\textbf{Market Penetration Rate} = \frac{CC}{TM} \times 100$$

Beyond assessing the current customer base, market penetration rate helps shape new strategies. For instance, a high market penetration rate signifies strong customer loyalty and brand awareness, reflecting a deep market presence. It can also reveal opportunities for expansion or additional engagement within the market, enabling startups to build on their current success and broaden their reach.

TIPS

- **Identify Causes of Low Market Penetration:** Low market penetration often stems from gaps in marketing strategies rather than product or service quality. Pinpointing these gaps helps clarify focus areas for improvement.

- **Methods to Increase Market Penetration:** Many successful startups have rapidly boosted low penetration rates through strategic adjustments. Effective methods include refining target audience insights, leveraging digital marketing channels, and developing products based on customer feedback.

- **Market Penetration as an Investor Criterion:** Market penetration is a critical metric for investors. Higher rates indicate a strong market presence and growth potential, often making a startup more attractive to potential investors.

Section 02

Investment Meetings

Investment Meetings

Pitch Deck

Key KPIs
Revenue-related KPIs are essential metrics that capture investors' attention. Startups should incorporate these metrics in their presentations, highlighting the financial performance and growth potential of the business. Key metrics such as Revenue Growth Rate, profit margins, and Customer Acquisition Cost should clearly reflect a startup's financial health.

First Impressions
The pitch deck provides investors with their first impression of the startup. A brief and compelling introduction will capture their attention. The startup's mission and the core problem it addresses should be clearly stated at the beginning of the presentation.

A strong opening within the first 2–3 minutes sets a memorable tone.

Building Trust
A professional and effective presentation demonstrates the founders' dedication and seriousness toward the business. Trust is built not only through the content but also by ensuring consistency and alignment across all aspects of the presentation. The design, quality, and professionalism of the graphics and slides reflect the startup's overall professionalism. Throughout the presentation, the startup's mission, vision, and values should be reinforced. Confidence in tone and body language, maintaining eye contact, and speaking clearly strengthen the connection with the audience.

Time Management
Setting time limits for each section helps with time management. Sections like the introduction, problem/solution, market analysis, product/service overview, and financials should be balanced. A presentation length of around 15 minutes is recommended.

Practice to perfect time management, focusing on key points.

Rehearsals refine content delivery and help maintain calmness and control.

Data and Analysis
The business model, market, and goals should be clearly stated. Startups can attract investors' attention by emphasising key data and metrics while avoiding unnecessary details.

Use statistics, graphs, and market research to support arguments.

Compelling Storytelling
Startups can make their ideas and vision more engaging by incorporating storytelling into their presentations. Anecdotes and case studies that allow investors to empathise, be inspired, and remember the pitch can leave a lasting impression.

Observe investor reactions during the pitch and adjust pacing to focus on key points.

Problem and Solution
The presentation should address a significant problem in the target market and explain how the startup's solution is unique.

Product or Service
Clearly describe the product or service, explaining how it works and why it is superior to competitors. Customer feedback, product demos, or case studies can strengthen the presentation.

Preparation for Questions
Allocate time for potential investor questions and prepare for likely queries. Responding quickly and accurately demonstrates the founders' knowledge and command of the topic.

- **Build Emotional Connection:** Establish an emotional connection with investors to enhance their interest and commitment to your business.
- **Understand Investor Motivations:** Consider not only investors' financial return expectations but also their motivations related to social impact and innovation.
- **Use Visual Aids:** Enhance clarity and engagement by presenting information with visuals and graphics.
- **Customer Case Studies and Testimonials:** Showcase existing customer success stories and testimonials to demonstrate the impact and credibility of your business.
- **Market Analysis:** Support your target market's size, trends, and opportunities with detailed data.
- **Business Model:** Clearly explain your revenue model and profit strategy.
- **Competitive Analysis:** Provide an in-depth analysis of your competitors, emphasising your competitive advantages.
- **Highlight Your Team:** Showcase the talents and experience of your team to instill investor confidence.
- **Financial Projections:** Present realistic yet attractive forecasts for future growth and profitability.

Section 03

Investment Stage

Investment Stage

Funding Rounds

Funding rounds, apart from IPOs, are named alphabetically and structured sequentially. Each round is defined by specific objectives set by the startup founders and current investors.

A

Series A Funding
Series A is typically the first round where startup founders encounter institutional investors, often venture capital firms. The primary objective of this round is to optimise business scaling by focusing on growth performance.

B

Series B Funding
This round aims to establish the startup within a more corporate structure and expand its market reach.

C

Series C Funding
Series C funding is focused on broadening the product line, entering new markets, expanding through acquisitions, or boosting valuation in preparation for a potential IPO.

D E

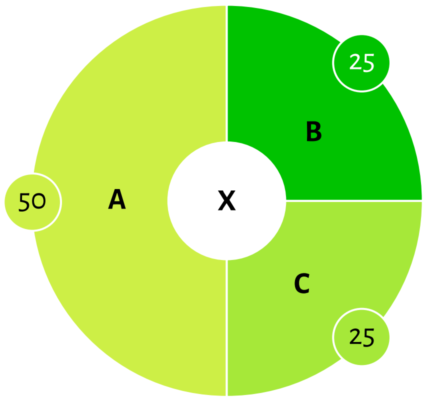
Series D and E Funding
Startups may pursue Series D and E rounds if they haven't achieved the funding targets set in Series C. These rounds provide an opportunity to bridge financial gaps or enhance valuation as a final step before going public.

Company Valuation and Investor's Share Allocation

To understand how the number and percentage of shares, an investor will acquire as a result of their investment in a startup are calculated, let's break down the process:

How Is the Nominal Value of a Share Calculated?
The initial capital of a company represents the total amount invested at the time of its incorporation. In Turkey, the minimum capital required to establish a joint-stock company *(Anonim Şirket)* is TL 250,000. This initial capital is divided into shares, which are allocated to founding shareholders in proportion to the capital they contributed. The number of shares is determined based on the nominal value assigned to each share.

Example 1:
Company X is a joint-stock company established with a capital of TL 250,000 and three founding shareholders (A, B, and C). The company's capital is divided into 250,000 shares, with a nominal value of TL 1 each.



A: Paid TL 125,000. They hold 125,000 shares and own 50% of the company.

B: Paid TL 62,500. They hold 62,500 shares and own 25% of the company.

C: Paid TL 62,500. They hold 62,500 shares and own 25% of the company.

Capital Increase Without External Investors
One way to finance a company is by increasing its share capital. This process doesn't necessarily require external investors; instead, it relies on contributions from existing shareholders. When a company increases its capital, it issues new shares to those subscribing to the capital increase, thereby expanding the total number of shares.

If existing shareholders participate proportionally, their shareholding ratios remain unchanged, even as the total number of shares increases.

Example 2:
Using the same company X from Example 1.

Existing capital: 250.000 TL
Increased capital: 500.000 TL
Share capital after the increase: 750.000 TL

All shareholders participate in the capital increase in proportion to their existing shares.

A: Contributes TL 250,000,
now owns 375,000 shares (50%).

B: Contributes TL 125,000,
now owns 187,500 shares (25%).

C: Contributes TL 125,000,
now owns 187,500 shares (25%).

Capital Increase With External Investors
When an external investor joins the company through a capital increase, they typically pay a premium on the nominal value of shares. This premium reflects the market value of the company, which exceeds the nominal value due to assets, intellectual property, customers, and other factors.

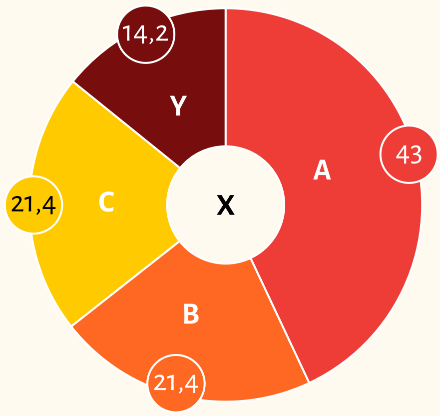
The premium amount is calculated based on the company's valuation and the total investment amount, determining the ownership percentage the investor will acquire.

Example 3:
Continuing with company X.

Total share capital before investment: TL 750,000 (750,000 shares at TL 1 nominal value each).
Pre-money valuation of the company: TL 60 million.
Investor (Y) invests: TL 10 million.

Calculations:
Pre-money value of one share: TL 60 million / 750,000 shares = TL 80.
Number of shares to be issued for Y: TL 10 million / TL 80 = 125,000 shares.
Post-money total share capital: TL 875,000 (875,000 shares).

New ownership ratios:
A: 375.000 *shares* / 875.000 *shares* = %43
B: 187.500 *shares* / 875.000 *shares* = %21,4
C: 187.500 *shares* / 875.000 *shares* = %21,4
Y: 125.000 *shares* / 875.000 *shares* = %14,2



Impact of Selling Shares at Nominal Value
If the capital increase were conducted at nominal value, the existing shareholders would experience significant dilution in their ownership.

Example 4:
If company X increased its capital at nominal value:

New capital:
TL 10,750,000 (10 million new shares issued for Investor Y at TL 1 each).

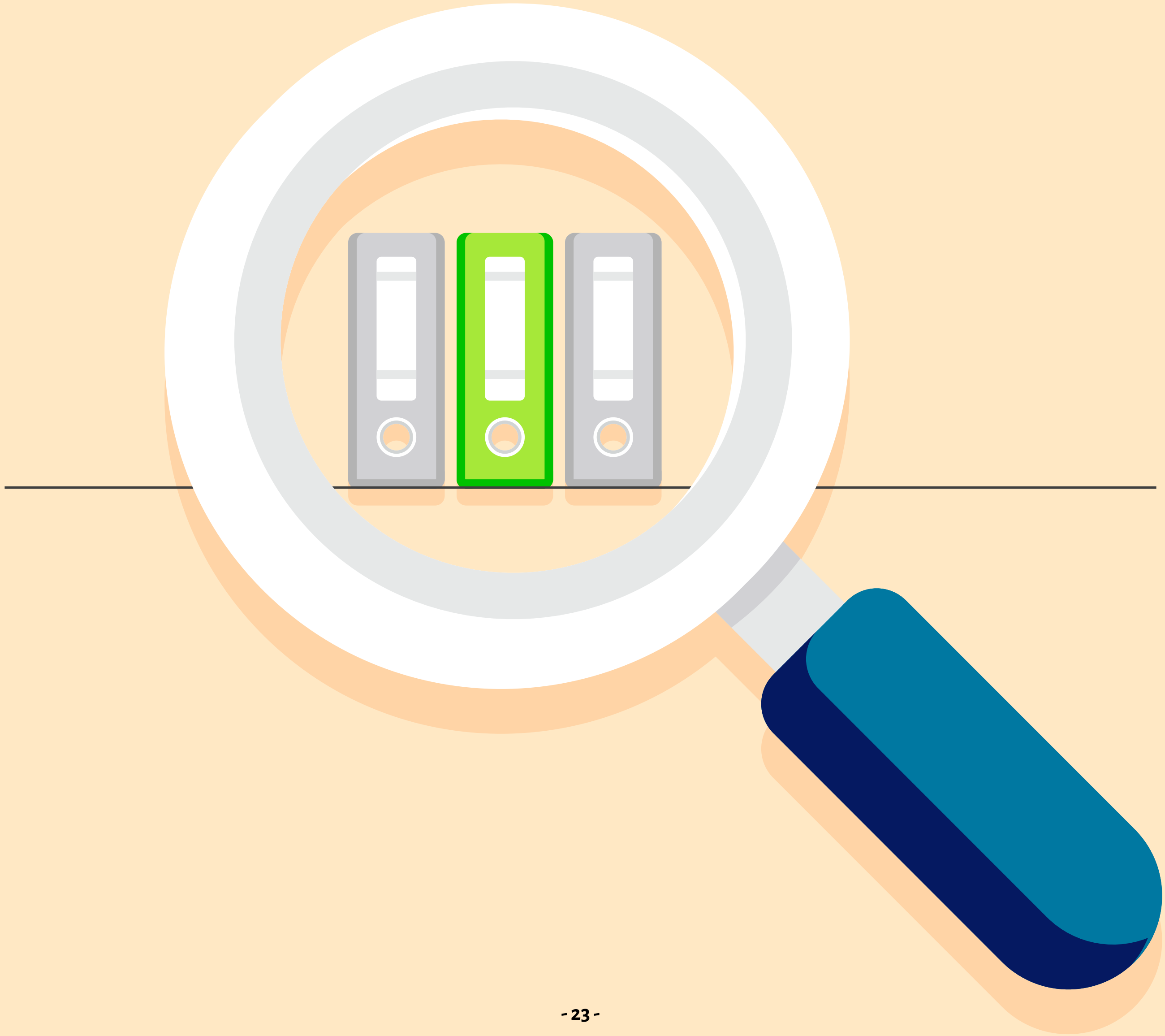
Ownership ratios:
A: 375.000 *shares* / 10.750.000 *shares* = %3
B: 187.500 *shares* / 10.750.000 *shares* = %2
C: 187.500 *shares* / 10.750.000 *shares* = %2
Y: 10.000.000 *shares)* / 10.750.000 *shares* = %93

TIPS

Understand the Importance of Premium Payments:
The premium paid by the investor for each new share ensures that the number of new shares corresponds to the company's actual market value. Selling shares at nominal value, as shown in Example 4, would result in significant dilution of the founders' ownership, potentially leaving them with negligible shares.

Section 04

Due Diligence



Due Diligence

The standard startup investment deal typically begins with the formalisation and signing of a letter of intent and a non-disclosure agreement. Following this, a data room is assembled in alignment with the investor's due diligence checklist. Transaction document negotiations take place, guided by insights from the due diligence process.

For investors, the primary aim of due diligence is to evaluate the risks and liabilities associated with the target startup and the proposed investment deal, identify the responsibilities of the founders, and facilitate a well-structured deal with risk mitigation strategies.

For investors, the primary objectives of due diligence are:

- *To evaluate risks and liabilities associated with the startup company.*
- *To identify actions, the founders must take both pre-investment and post-investment.*

Types of Due Diligence

Investors typically undertake legal, tax, and financial due diligence, with variations depending on the startup's sector and scope of activities. In certain cases, technical due diligence is also conducted, especially for startups operating in specific industries.

Scope of Legal Due Diligence

The extent of legal due diligence depends on the industry and activities of the target company. Crafting a due diligence checklist tailored to these factors is critical to ensuring relevant questions are asked. This approach not only saves time but also fosters a professional working environment for all involved parties.

Key Elements of Legal Due Diligence:

Corporate:

- Copy of the articles of association.
- Extracts from the trade register.
- Copy of the share ledger.
- Copies of board resolutions and minutes of the general assembly.

Contracts:

- Copies of contracts with key customers.
- Copies of distribution agreements.
- Copies of supply agreements.

Finance:

- Copies of loan agreements.
- Copies of security agreements, such as mortgages or pledges.

Immovable Properties:

- Copies of title deeds of the target company.
- List of encumbrances on immovable properties.
- Copies of lease agreements.
- Copies of construction and use permits

Employment:

- Copies of employment agreements.
- Information regarding the total number of employees.
- Evidence of payment of social security contributions.
- Potential employment-related liabilities.

Licenses and Regulatory Compliance:

- Copies of licenses and permits required for the sector.
- Identification of missing licenses or permits.

Related-Party Transactions:

- Details of commercial transactions between the target company and related parties, such as shareholders and board members.

Intellectual Property:

- Copies of records of registered intellectual property rights, such as patents and trademarks.
- Copies of license agreements.

Litigation:

- Information on pending or threatened litigation involving the target company.

Avoid Standardised Checklists

Using a generic, unconsidered checklist can burden startup founders with irrelevant inquiries and create the impression that the investor lacks expertise in the company's field.

Compliance with Personal Data Protection

Due diligence often involves the disclosure of personal data, making adherence to data protection laws imperative. To ensure compliance, startups should implement the following minimum measures:

- ***Limit Data Sharing:*** *Only disclose data that is strictly necessary for the due diligence process.*

- ***Inform and Obtain Consent:*** *Ensure data subjects are aware that their data will be disclosed to the potential buyer and its advisors. Obtain their consent when required by applicable legislation.*

- ***Incorporate Data Protection Provisions:*** *Include specific provisions regarding personal data protection in the non-disclosure agreement between the parties.*

Data Room

Startup founders, with the assistance of their legal counsel, begin preparing a data room once the due diligence questions and document requests are shared. Historically, due diligence involved setting up a physical data room at the company headquarters, where documents were organised into folders for review. Lawyers and consultants would physically inspect these documents on-site. Unauthorised individuals were restricted from accessing the room, which was locked when not in use.

With technological advancements, ***virtual data rooms (VDRs)*** have replaced physical data rooms in most cases. Virtual data rooms are secure online platforms that allow authorised individuals to review documents remotely. In addition to professional VDR service providers, startups can also use encrypted links to share documents securely through their own systems.

Due Diligence Report

After the due diligence process, the investor's legal advisors prepare a comprehensive due diligence report. The deliverables expected by the investor should be clearly defined in advance.

While some investors prefer detailed reports, others lean toward executive summaries that focus on key points impacting:

- Value
- Purchase price
- Liability
- Future activities of the target company

Section 05

Contracts You will Encounter During the Investment Process

Contracts You will Encounter During the Investment Process

Non-Disclosure Agreement (NDA)
A mutual NDA is signed between the investor and the startup to protect sensitive company information, such as intellectual property, customer data, and pricing details. It facilitates detailed negotiations regarding the proposed investment while ensuring confidentiality.

Letter of Intent *(Term Sheet)*
A letter of intent (often referred to as a term sheet) is signed by the parties to:

i. Express their intentions regarding the proposed investment transaction.
ii. Provide a framework for financial terms, such as the method for determining the investment amount.

A letter of intent is generally not legally binding; however, certain provisions—such as exclusivity, confidentiality, or compliance with applicable laws—can be made binding.

Investment and Shareholders' Agreement
The SHA is the primary agreement governing the terms of the share transfer or investment transaction, as well as the rights and obligations of the parties.

It typically includes the following key provisions:

Investment Amount:
Details of the capital being invested.

Closing Conditions:
Prerequisites to finalising the transaction.

Interim Period Restrictions:
Limitations on actions the startup can take between signing and closing.

Closing Procedures:
Steps required to complete the transaction.

Founders' Representations and Warranties:
Statements made by the founders about the company's condition.

Indemnification Rules:
Procedures for resolving claims or liabilities arising post-closing.

Additionally, the SHA outlines post-closing management, profit distribution, shareholder notifications, share transfer restrictions, non-compete obligations, and other operational aspects and shareholder rights.

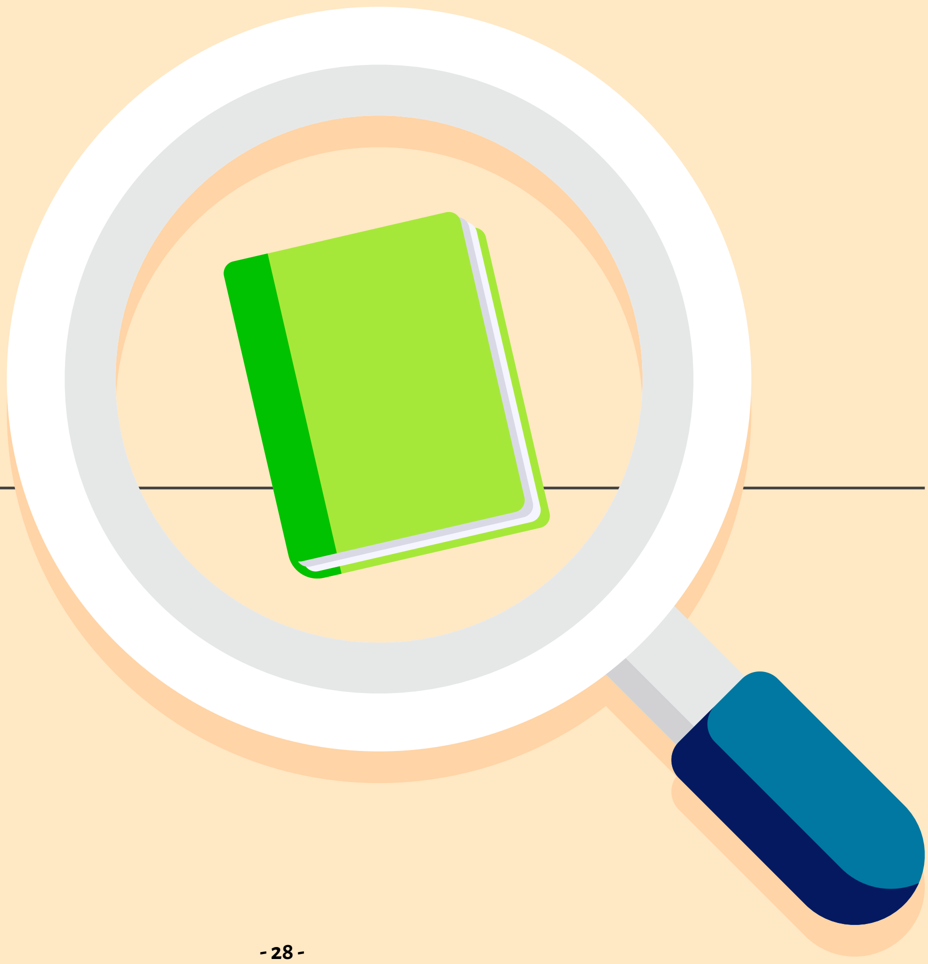
Escrow Agreement
An escrow agreement is often required to implement a reverse vesting mechanism, a common investor request.

Reverse Vesting Mechanism:
Reverse vesting ensures that if a founder leaves the company before their vesting period ends, a portion of their shares will be transferred to another founder or existing shareholders. This mechanism incentivises founders to remain committed to the startup for a specified period, dedicating their time and efforts exclusively to the company.

Role of the Escrow Agent:
To securely manage shares subject to reverse vesting, an escrow agent is appointed, and an escrow agreement is signed. The escrow agent acts as an impartial third party, securely holding share certificates and transferring them to the relevant party based on agreed instructions.

Section 06

Key Concepts in Investment Agreements



Key Concepts in Investment Agreements

Conditions Precedent

When parties sign an investment agreement, they commit to fulfilling the obligations outlined within it. However, signing the agreement alone is not always sufficient to finalise the transaction. Certain conditions may need to be met by the startup before closing can occur. These conditions, known as ***'conditions precedent,'*** can relate to ***operational matters***—such as obtaining a company permit or settling debts—or ***legal requirements***, such as securing approval from competition authorities or other regulatory bodies.

Operational Conditions: *Change of Control Clauses*
Some contracts involving the startup may contain ***change of control clauses***, which allow the counterparty to unilaterally terminate the agreement if there is a change in the company's ownership structure.

If these contracts are deemed critical to the company's operations, investors may require the founders or startup to secure ***letters of consent*** from relevant counterparties. These letters confirm that the counterparties will not exercise their rights under the change of control clause.

If obtaining such letters of consent is stipulated as a condition precedent for closing, the founders must fulfil this requirement during the ***interim period*** before the transaction is finalized.

Regulatory Approvals
Another critical condition precedent involves securing regulatory approvals when necessary.

For example:

1. ***Competition Authority Approval:*** If the share transfer requires approval under competition legislation, the parties must seek authorisation from the relevant competition authority during the interim period. Closing can only proceed after this approval is obtained.
2. ***Transactions Involving Technology Enterprises in Turkey:*** In transactions involving the acquisition of technology enterprises operating in the Turkish market, conducting R&D activities, or providing services to users in Turkey, approval from the Competition Board is required if the Turkish turnovers of the transaction parties exceed a certain threshold.

Representations & Warranties

Representations and warranties form a significant part of investment agreements. Simply put, ***representations*** are guarantees provided by startup founders regarding the attributes of their company. Investors expect the startup they are investing in to meet certain key criteria, and founders are required to provide assurances about these qualities.

Typical Representations and Warranties
The representations and warranties in an investment agreement typically include assurances that:

- The company has obtained all necessary permits and licenses to conduct its operations.
- There are no third-party rights over the company's shares.
- The company has no outstanding tax liabilities.
- There are no legal claims or lawsuits filed against the company.
- The company complies with labour law regulations.
- The company is the legal owner of, or has the necessary licenses to use, the intellectual property it utilises.
- Both parties have the legal capacity and authority to enter into the agreement.

Liability for Inaccurate Representations
If any of the representations provided under the agreement are found to be inaccurate, the founders may be held liable. In such cases, they could be required to indemnify the investor for any damages resulting from these inaccuracies.

Link to Due Diligence
Representations and warranties are directly linked to the due diligence process. Risks identified during due diligence play a critical role in shaping the scope of the representations and warranties in the investment agreement. By addressing these risks, both parties can ensure a more transparent and well-structured transaction.

Disclosure Letter

The disclosure letter, annexed to the investment agreement, details exceptions to the representations. These exceptions outline situations where the founders do not wish to assume responsibility.

Founders bear no liability for matters disclosed in the disclosure letter. However, if an issue disclosed in the letter poses a genuine and significant risk, investors may request that the founders retain responsibility for that specific matter.

Material Adverse Clause *(MAC Clause)*

The Material Adverse Clause (MAC) grants the investor the right to withdraw from the closing—essentially, the right not to purchase the shares subject to the investment—if a material adverse change occurs in relation to the startup before the closing.

Criteria for Material Adverse Change
A material adverse change must meet the following criteria:

- A condition or circumstance arises during the interim period that is materially different from the conditions at the time the agreement was signed.
- The change is significant enough to justify the investor's withdrawal from the transaction.

It is not necessary for the change to occur directly within the startup or under its control.

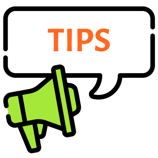
Example: Significant fluctuations in exchange rates in the country where the startup operates can qualify as a material adverse change.

Definition of Material Adverse Change
Investors' Preference:
Investors typically favour broad and discretionary definitions, allowing them flexibility to determine whether a material adverse change has occurred.

Risk:
Broad definitions may lead to disputes between the parties regarding whether a material adverse change exists.

Founders' Preference:
Founders prefer narrow and objective definitions based on clearly defined criteria.

Example: A material adverse change might include the revocation of a critical license or the termination of a key contract. By negotiating the scope and clarity of the MAC clause, both parties aim to balance the investor's need for protection with the founder's desire for certainty in the transaction.



- **Custom Definitions:**
  A standard MAC clause cannot be defined, as each transaction has unique dynamics and sector-specific considerations.

- **Avoiding Disputes:**
  If the definition of a material adverse change is not carefully crafted, disputes between the parties are almost inevitable.

- **Leverage in Renegotiation:**
  Investors often use the MAC clause not to withdraw entirely from the deal but as leverage for renegotiation.

Non-Compete Clause

The non-compete clause is a critical provision often negotiated between investors and startup founders. Investors typically request such clauses to protect their investments by restricting founders from:

- Working in businesses that could directly compete with the startup's activities, or
- Launching new ventures in similar industries.

The primary purpose of the non-compete clause is to safeguard the investor's capital and the startup's intellectual property.

Founders' Perspective
Founders often seek to minimize the constraints imposed by non-compete clauses to preserve their career paths and entrepreneurial freedom. If the startup fails or they wish to pursue other opportunities, founders prefer flexibility to transition into new projects.

To address these concerns, founders negotiate key aspects of the non-compete clause, including:

- ***Duration:***
  The length of time the clause remains in effect.
- ***Scope:***
  The specific industries or activities it covers.
- ***Geographic Limits:***
  The regions where the restrictions apply.

Balancing Interests
Non-compete clauses are typically crafted to strike a balance between protecting the investor's interests and preserving the founder's future opportunities. *These clauses are generally:*

- Limited to a specific timeframe *(e.g., the duration of the startup's operations plus a few additional years)*.
- Focused on particular industries or geographic regions.

This approach ensures that investors have sufficient protection without unduly restricting the founders' ability to explore new ventures.

Anti-Dilution Provisions

In a startup, investors may face a reduction in their ownership percentage (dilution) if they choose not to participate in future investment rounds or capital increases. Anti-dilution provisions are designed to protect existing investors by ensuring their ownership percentages remain unaffected during subsequent funding rounds.

Impact of Overly Protective Provisions
While anti-dilution provisions protect current investors, overly protective clauses can deter potential future investors. Such clauses may make it harder for the startup to attract additional investments and secure necessary financing.

Balancing Protection and Growth
To avoid these challenges, it is crucial to draft anti-dilution provisions that balance:

- ***Investor Protection:***
  Safeguarding the ownership percentages of existing investors.
- ***Company Growth:***
  Maintaining flexibility to attract future investors and ensure the startup's sustainable growth.

By achieving this balance, startups can protect their current investors while fostering an environment conducive to future funding opportunities.

Drag-Along Right

The drag-along right allows majority shareholders to “drag” minority shareholders into selling their shares to a third-party buyer. This clause, commonly found in investment agreements, enables majority shareholders to compel minority shareholders to sell their shares when the majority receives an offer for the company.

Purpose and Use
Drag-along rights are typically granted to majority shareholders in mergers and acquisitions (M&A) transactions. This provision ensures that minority shareholders cannot block the majority shareholder’s exit when a potential buyer seeks to acquire the entire company. Institutional investors frequently insist on including drag-along rights in agreements to facilitate smooth exits.

Setting a Minimum Price Threshold
When exercising drag-along rights, a minimum price threshold can be set to protect the interests of minority shareholders and founders. For example, the use of the drag-along right might depend on the buyer offering at least a specific amount (e.g., X TL) for the entire company.

For Founders:
Setting a minimum acceptable price is crucial to prevent transferring control of the company at a value far below expectations. Without this safeguard, founders may risk losing control at a suboptimal price, even when they believe a higher exit value is achievable.

For Institutional Investors:
Investors often prefer avoiding overly restrictive conditions that could hinder their ability to exit efficiently.

Balancing Interests
Striking a balance between the interests of founders and institutional investors is essential. Founders must ensure that drag-along rights align with their vision and protect the company’s value, while investors seek flexibility to secure a reasonable exit.

Determining a mutually agreeable minimum purchase price helps align expectations, ensuring:
- Investors achieve a fair exit.
- Founders transfer control at an acceptable value.

Tag-Along Right

The tag-along right, similar to the drag-along right, serves to protect minority shareholders.

How It Works
Under the tag-along right, if a third-party buyer makes an offer to purchase shares from the majority shareholder, minority shareholders can demand that their shares also be included in the sale under the same terms.

This right is particularly significant for minority shareholders who may not wish to remain in a company after the majority shareholder exits. It also enables them to benefit from the exit opportunity alongside the majority shareholder.

Importance for Angel Investors
Tag-along rights are especially important for protecting angel investors and other minority shareholders. By ensuring they can participate in exit opportunities under the same conditions as majority shareholders, tag-along rights provide a crucial safeguard for their interests.

Reverse Vesting

Reverse vesting is a mechanism designed to ensure that if a startup founder leaves the company before completing their vesting period, a portion of their shares will be transferred to other founders or existing shareholders.

Investors expect founders to remain committed to the startup for a specific period and to dedicate their full time and effort to its growth. Reverse vesting acts as an incentive for founders to stay with the company throughout the vesting period. Founders who complete the vesting period retain their shares, while those who leave early forfeit any unvested shares.

Founders' Vesting
The concept of vesting is commonly seen in employee stock options, where employees acquire shares only after a certain vesting period. Unlike employees, founders already own their shares from the outset. The term "reverse vesting" is used because founders must re-earn the shares they already hold. If founders leave the company before the vesting period ends or if certain departure scenarios outlined in the agreement occur (discussed below), they must transfer their unvested shares to the remaining founders or to all shareholders, in proportion to their ownership.

Reverse Vesting Period
The typical reverse vesting period for founders is four years. *However, this period may vary depending on factors such as:*

- The time elapsed since the company's incorporation.
- Whether the company has previously received investment.

If the company was established several years before receiving the investment and has already reached a certain level of development, founders may negotiate for the time between incorporation and the investment to count toward their vesting period.

Good Leaver and Bad Leaver Scenarios
During the vesting period, situations in which founders may lose their shares are typically categorised as good leaver and bad leaver scenarios:

Good Leaver:
Scenarios beyond the founder's control or independent of their fault, such as health-related issues.

Bad Leaver:
Scenarios arising from the founder's fault or contractual breaches, such as violating the non-compete clause in the shareholders' agreement.

Clearly defining good leaver and bad leaver scenarios in the agreement is crucial to avoiding disputes.

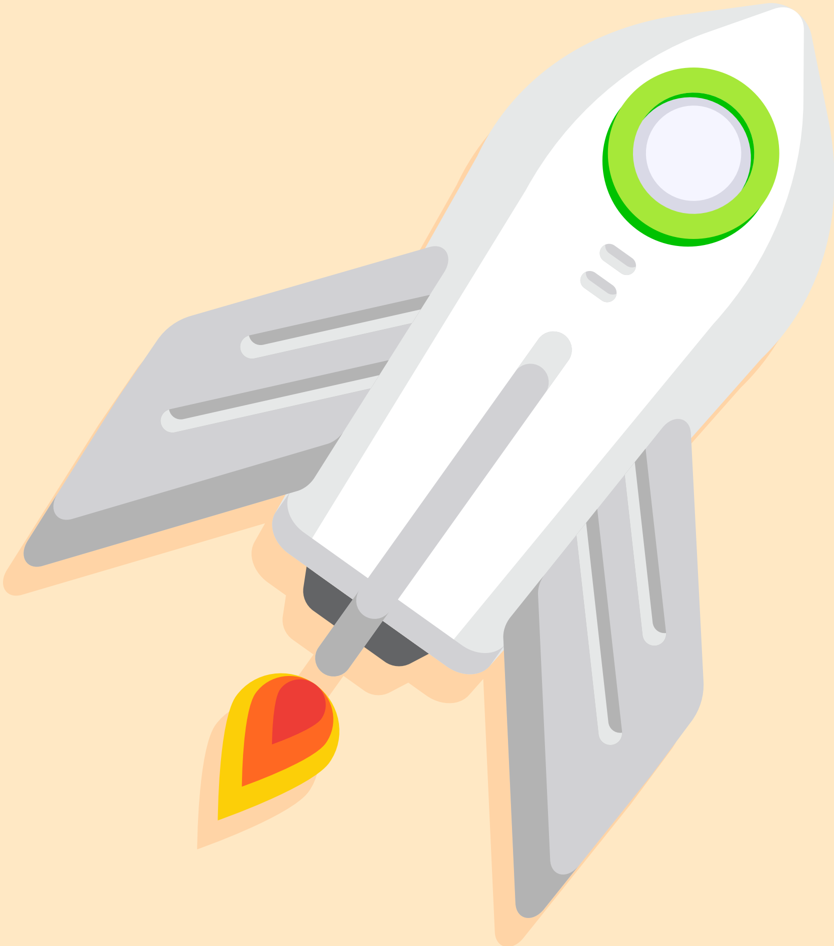
Purchase Price of Shares
The price for transferring unvested shares differs between good leaver and bad leaver scenarios:

In bad leaver cases, the purchase price is typically calculated based on the nominal value of the shares.

During the vesting period, share certificates representing vested shares are held by an escrow agent under an escrow agreement. As founders earn their shares, the escrow agent releases the corresponding certificates to them.

Section 07

The Deal is Signed. What's Next?



The Deal is Signed, What's Next?

Stages of the Investment Period

Interim Period
Where an investor acquires shares through a capital increase, the date the agreement is signed and the date the investment is completed often differ. The date when the investment is legally and practically executed is known as the ***"closing date."*** The period between the signing date and the closing date is referred to as the ***"interim period."***

- When parties sign the agreement, they commit to fulfilling the obligations outlined in it. However, signing the agreement alone may not suffice to complete the transaction. Certain conditions must be met by one or more parties before closing.

- These ***conditions precedent*** may involve operational matters, such as obtaining a company permit or settling debts with third parties, or legal requirements, such as securing approval from competition authorities or other regulatory bodies. The interim period is the time needed to satisfy these conditions precedent.

Interim Period Restrictions
During the interim period, existing shareholders face restrictions on actions related to their shares and the company to ensure consistency between the company's condition at signing and closing. Shareholders are expected to operate the business as usual and maintain its status.

Agreements governing the interim period typically impose the following restrictions and obligations on shareholders:
- No incurring debt outside the ordinary course of business.
- No termination of important contracts with key customers or suppliers.
- No disposal or encumbrance of any movable or immovable assets.
- No increase in executive salaries or hiring of new executives.
- No amendments to the company's articles of association or increases to the company's share capital.

Balancing Interests:
Investors aim to maintain business stability during this period, while founders seek the flexibility to operate as usual. Striking a balance is essential, as overly restrictive measures can impede normal business operations.

Closing Day

The interim period concludes on the closing date. The term ***"closing"*** refers to the moment when the transaction—in this case, the investment—is finalized both legally and practically.

What happens on the closing day?

General Assembly Meeting
Since the investment increases the startup's capital and allocates newly issued shares to the investor, a general assembly meeting is held to:

- Approve the capital increase.
- Amend the articles of association.

TIPS

- A Ministry representative must attend general assembly meetings approving capital increases. When scheduling the closing date, account for the time required to request the representative's appointment.
- Only current shareholders attend the meeting and sign the related documents.
- Trade registry offices may require the investor to sign a participation commitment to register the general assembly resolution.

Payment of the Investment Amount
The investment amount must be deposited into the startup's bank account, and a blockage letter must be obtained from the bank to register the general assembly resolution.

TIPS

- Complete this step before the general assembly meeting to avoid delays.
- If there are multiple investors, organise and coordinate the timely payment of all investment amounts.

Registration of the General Assembly
After the general assembly meeting, the signed minutes and other required documents are submitted to the relevant trade registry office for registration.

TIPS

- The blockage on the investment amount cannot be lifted, and the funds cannot be used by the company until the registration is complete.
- Share certificates for the investor can only be prepared after the general assembly's registration.

Contributors

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Deniz Eray Harvey graduated from Galatasaray High School and earned her law degree from Pantheon-Sorbonne University in Paris. She later completed a master's degree in Banking and Finance Law at Queen Mary, University of London.

Deniz worked for nearly a decade at one of Istanbul's leading law firms, representing numerous local and international clients. During her master's studies in London, she served as a visiting attorney in the Debt and Capital Markets Department at Linklaters LLP, one of the Magic Circle firms.

A member of the Istanbul Bar Association since 2008, Deniz is also affiliated with the Turkish-French Chamber of Commerce and Industry (CCI France Turquie) and Galatasaray Sports Club. Additionally, she serves as the Ambassador of French Tech Istanbul.

Murat Peksavaş

Murat Peksavaş began his professional career in 1997 in the Strategic Planning Department of Koç Holding, where he played a pivotal role as a Senior Executive by launching the Koç Innovation Program. In this capacity, he managed the design and implementation of intrapreneurship and open innovation programs for various Koç Group companies.

Peksavaş also served as a member of the Investment Committee and the Board of Directors at Inventram, a Koç Group company specializing in high-tech investments. A licensed angel investor and TRDx speaker, he chaired the Entrepreneurship Ecosystem Working Group at TÜSİAD for 16 years. Currently, he is a member of the Board of Directors of French Tech Istanbul.

Peksavaş graduated from Ankara University Faculty of Political Science and completed his master's degree at Pantheon-Sorbonne University in Paris. He holds qualifications as a Turkish Trademark and Patent Attorney as well as a European Patent Attorney.

2024

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