

PANORAMA OF **PRIVATE CAPITAL** INVESTMENTS



Uruguay XXI
INVESTMENT, EXPORT AND COUNTRY
BRAND PROMOTION AGENCY

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SUMMARY

In 2024, private capital in Latin America showed a rebound in invested amounts compared to 2023, reaching USD 25 billion. This occurred despite a slight decrease in the number of transactions. Both variables remained below the 2021–22 levels but above pre-pandemic figures, confirming an upward trend over the eight-year period considered. The 2025 regional outlook appears more favorable, with low interest rates and a stronger appetite for investment.

As usual, most transactions took place in Venture Capital (VC), while the largest amounts invested corresponded to Infrastructure and Natural Resources. Deals were mainly focused on fintech and technology, whereas energy projects accounted for 40 % of total investments, followed by industrial (15 %) and fintech (13 %) sectors.

When looking exclusively at VC activity, the upward trend in the number of deals was similar, but the invested amounts in 2024 returned to pre-pandemic levels. Seed-stage rounds represented 70 % of all transactions, while a similar share of total capital went to Early- and Late-stage investments in comparable proportions.

In Uruguay, 2024 saw a slight increase in the number of transactions compared to 2023, maintaining a steady upward trend over the past decade. Most identified operations were majority acquisitions (78 %), concentrated in global services, industry, and agribusiness. In recent years, the country has consolidated the attraction of capital toward information technologies, fintech, and professional services, complemented by investments in food, energy, and logistics. Regarding the origin of the acquirer, the vast majority were foreign investors (84 % on a ten-year average).

Notable recent transactions include Bimbo–Pagnifique, Froneri–Crufi, Lactalis–Granja Pocha, Chevron (offshore), Pluspetrol (wind projects), Prometeo (PayPal and Samsung), and Itaú–Plexo.

Uruguay's private capital ecosystem continues to strengthen, driven by URUCAP, ANII, and other promotion agencies, together with the arrival of regional and local funds that boost early- and growth-stage investments. Coordination between incubators, accelerators, and digital investment platforms is also expanding.

Thus, Uruguay consolidates its position as a reliable and diversified platform for investment in companies and projects, combining macroeconomic stability, specialized talent, and a favorable institutional environment.

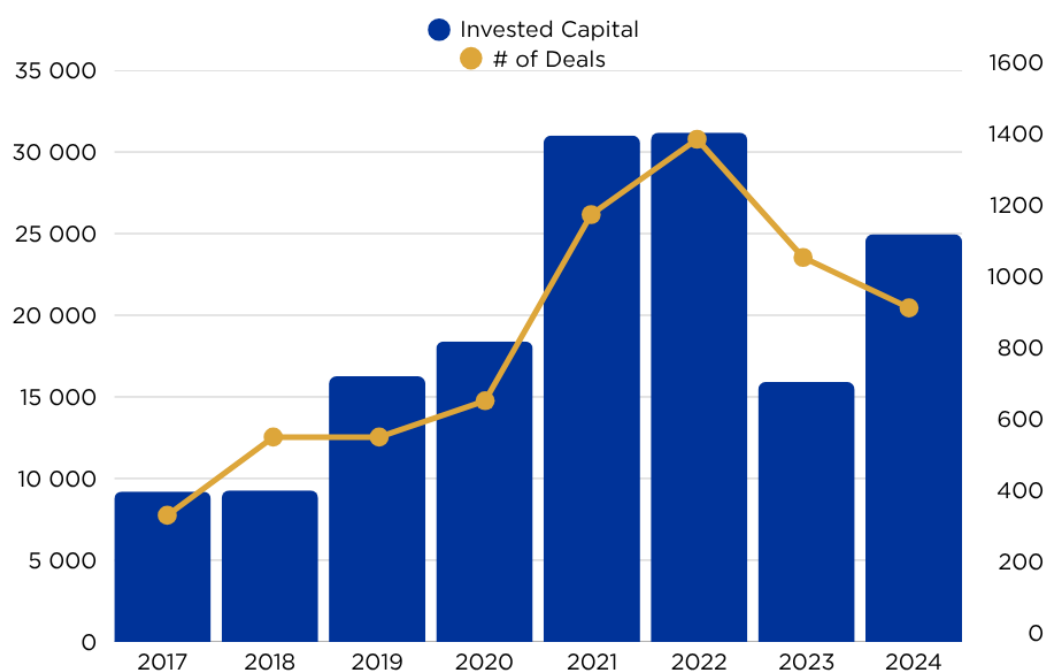
PRIVATE CAPITAL INVESTMENT IN LATIN AMERICA

This section examines private capital transactions in Latin America. These operations encompass various types of capital flows: they may involve foreign companies investing in other firms—typically within the same sector or in a different one where they can add value through acquisition or investment—or investment funds such as private equity (PE) funds that invest in mature companies, and venture capital (VC) funds that invest in startups.¹

GRAPH 1

Annual Investment in Latin America

Left axis: Invested Capital (Million US\$) - Right axis: # of Deals



Source: prepared by Uruguay XXI based on LAVCA (2025)

¹ For a more detailed explanation, see the annex at the end of the report.

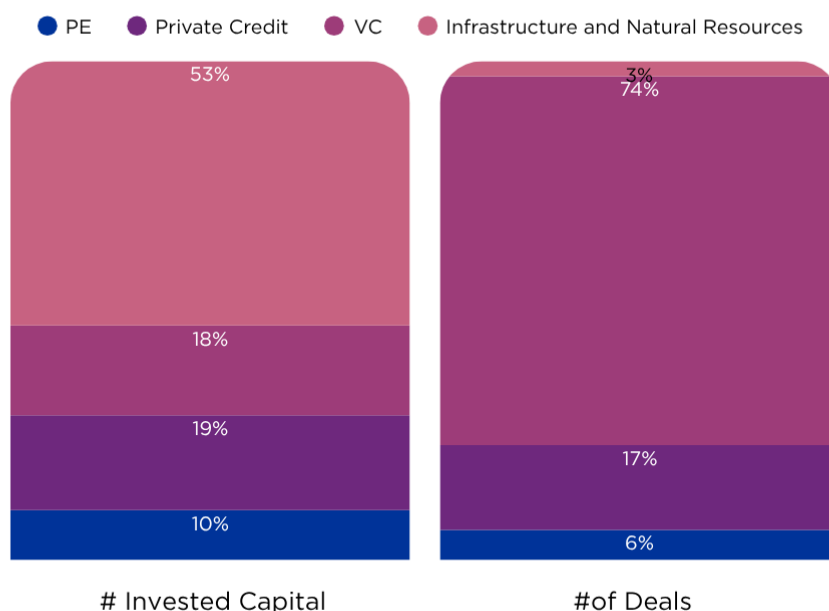
Based on data collected by LAVCA, 2024 recorded an increase in invested capital and a decline in the number of deals — from USD 15.9 billion to USD 25.0 billion, and from 1,156 to 1,015 transactions. The total investment figures include venture capital (VC), private equity (PE), private credit, and infrastructure and natural resources.

VC deals accounted for 74% of all transactions, which closed in 2024 and represented 18% of the total value of investments, while PE investments in the region made up 6% of the number of deals and 10% of the total value. Private credit declined by 4% compared to the previous year, accounting for 19% of total invested capital.

GRAPH 2

Investment by asset class in Latin America

As percentages of total invested capital and deals



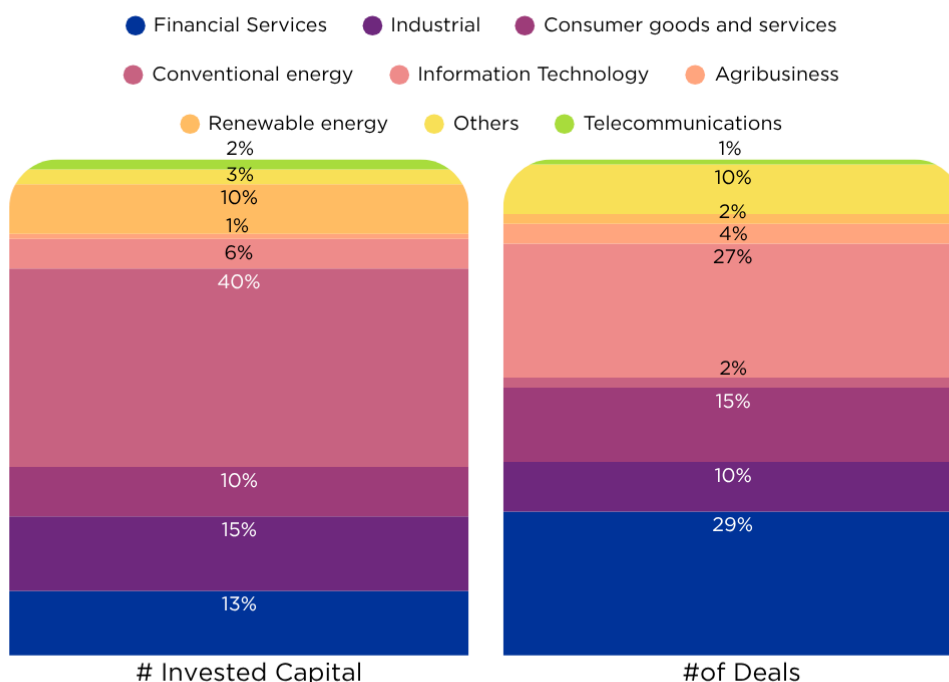
Source: prepared by Uruguay XXI based on LAVCA (2025)

At the sectoral level, conventional energy received the largest share of invested capital (40%), while the financial services sector recorded the highest number of deals (29%). This confirms a continued diversification across the sectors receiving investment.

GRAPH 3

Investment by industry in Latin America

As percentages of total invested capital and deals



Source: prepared by Uruguay XXI based on LAVCA (2025)

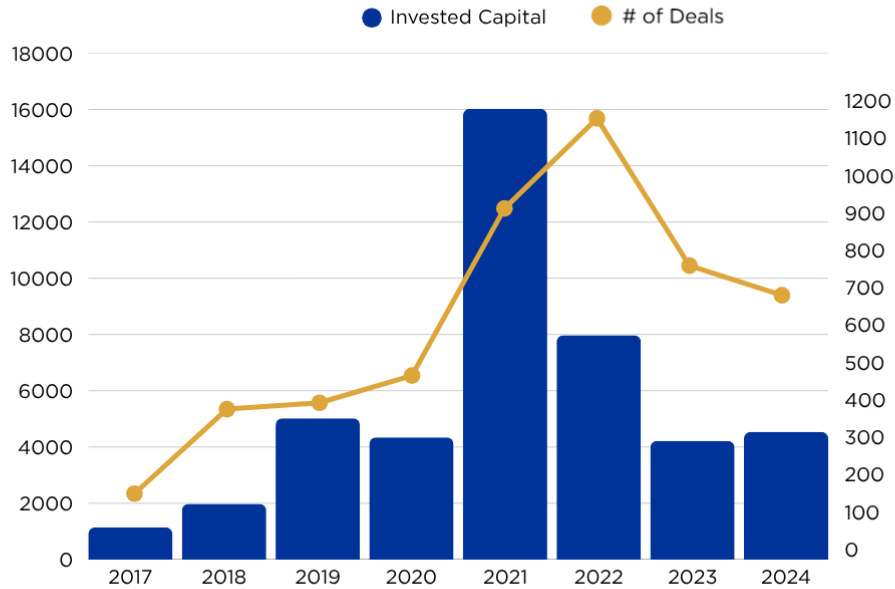
INVESTMENT IN VENTURE CAPITAL (VC)

Regarding VC investment in Latin America, after a period of exceptional growth, activity stabilized at pre-pandemic levels, reaching around USD 4 billion. Meanwhile, although the number of deals remained above pre-pandemic figures, they have shown a downward trend over the past two years. As a result, the average investment ticket was lower than those observed before the pandemic.

GRAPH 4

Venture Capital (VC) Investment in Latin America

Left axis: Invested Capital (Million US\$) - Right axis: # of Deals



Source: prepared by Uruguay XXI based on LAVCA (2025)

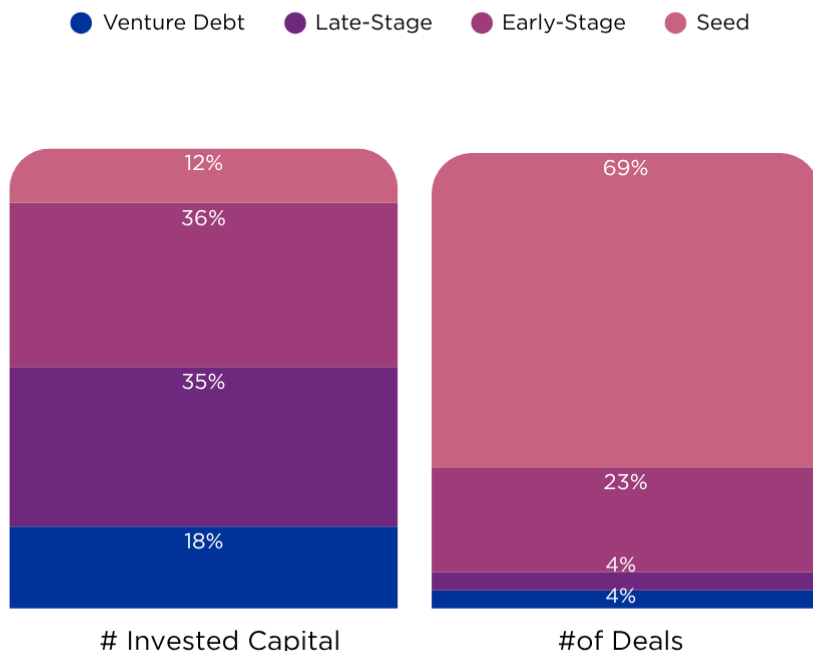
When analyzing VC investment in Latin America by stage, greater activity is observed in late-stage operations. However, early-stage rounds continue to represent the largest share of venture capital invested, accounting for 36%.

When analyzing VC investment by technological vertical, the fintech sector remains the most successful, attracting 61% of the capital invested in 2024.

GRAPH 5

Venture Capital Investment in Latin America by Stage

As percentages of total invested capital and deals - 2024



Source: prepared by Uruguay XXI based on LAVCA (2025)

By the end of 2025, the macroeconomic outlook appears more optimistic, driven mainly by the downward trajectory of the U.S. Federal Reserve's interest rates. After an initial rate cut in September 2024 and a period of stability throughout 2025, the monetary authority once again lowered rates in September of this year, with projections indicating a continued downward trend toward the end of the period.

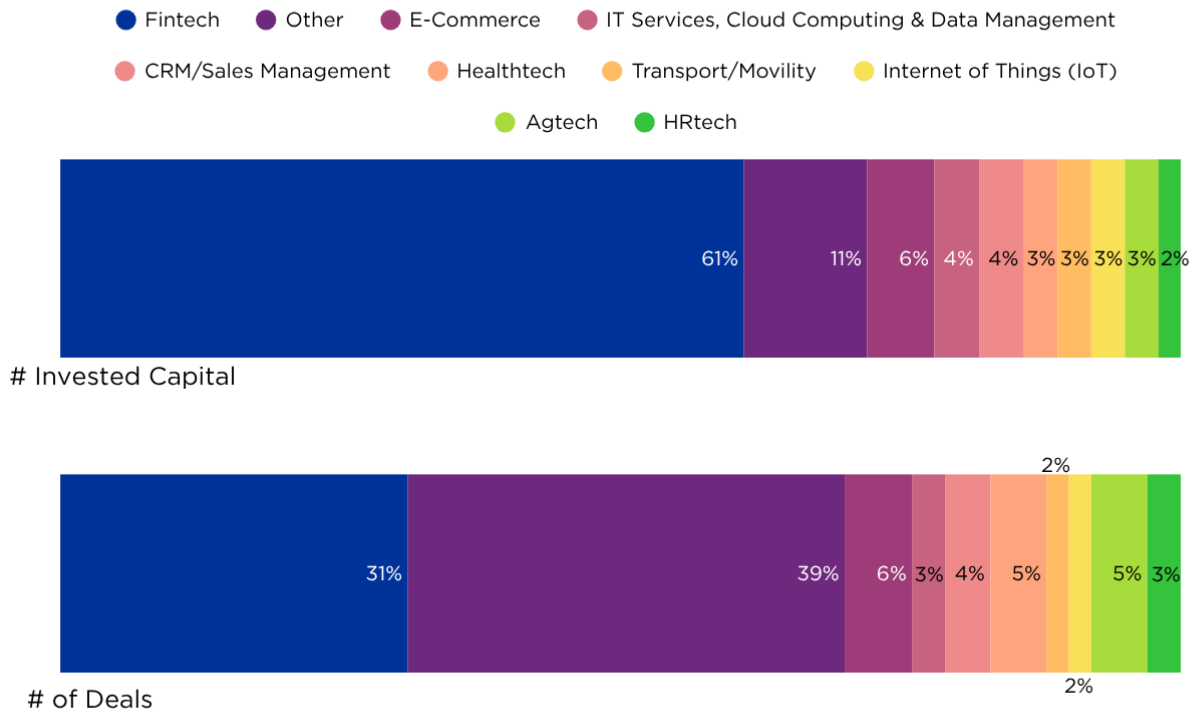
Additional favorable factors include slowing inflation and improved financing conditions offered by banks and private credit funds, creating a more conducive environment for investment. At the sectoral level, the most dynamic segments are expected to be those related to high technology, media, and AI-driven telecommunications, followed by infrastructure and financial services.²

² Source: [Tendencias globales de la industria de M&A en 2025](#) - PWC
[M&A Outlook in 2025](#) - KPMG

GRAPH 6

Venture Capital Investment in Latin America by Technology Vertical

As percentages of total invested capital and deals - 2024



Source: prepared by Uruguay XXI based on LAVCA (2025)

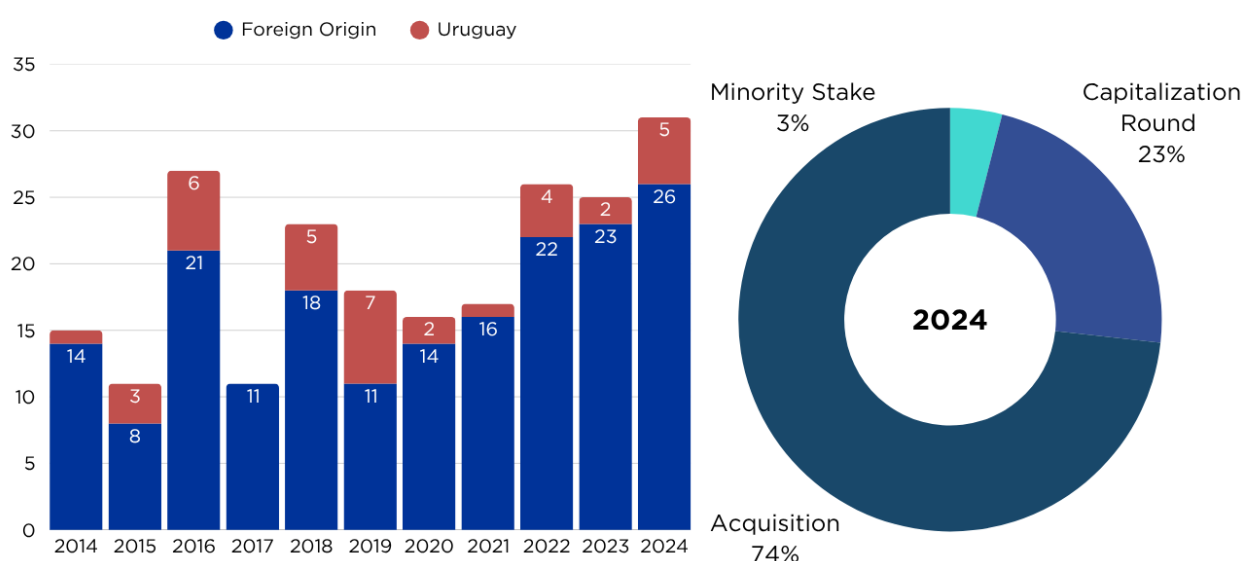
OPERATIONS IN URUGUAY

This section brings together mergers and acquisitions (M&A) — both majority and minority transactions — along with capitalization rounds and joint venture agreements carried out in recent years, in which foreign companies acquired control or participation in Uruguayan-based firms and assets.

GRAPH 7

Operations in companies and assets

Number of Transactions – Type of Transaction



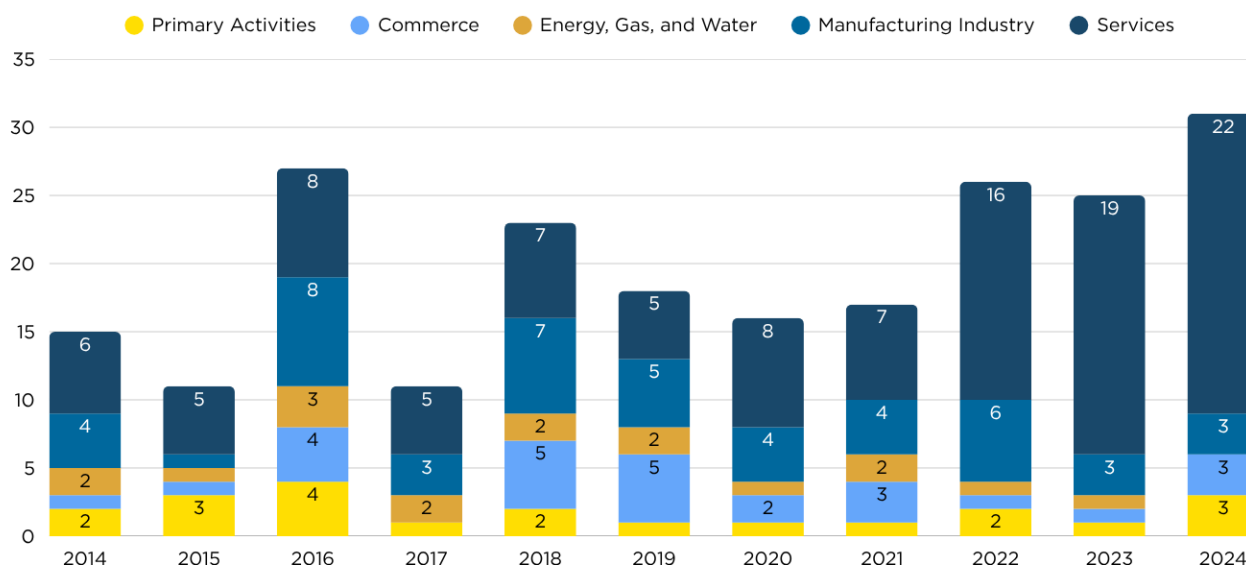
Source: prepared by Uruguay XXI based on data from EMIS, ORBIS, the Commission for the Promotion and Defense of Competition, and media sources.

Figure 7 shows transactions carried out by foreign companies involving Uruguayan firms and assets, encompassing both total and partial acquisitions. The analysis covers operations over the past 10 years.

During this period, out of 220 recorded transactions, most corresponded to company acquisitions (78%), followed by partial or minority purchases (18%), capitalization rounds (3%), and other operations (1%). In 2024, this composition was 74% acquisitions, 23% capitalization rounds, and 3% minority stakes.

At the beginning of the period, M&A activity was concentrated in the manufacturing sector — including meat processing, pharmaceuticals, forestry, and dairy industries — along with global services companies, particularly in software and financial services. After a slight decline in

GRAPH 8
Company and Asset Transactions – by Sector
 Number of Transactions – by Sector



Source: prepared by Uruguay XXI based on data from EMIS, ORBIS, the Commission for the Promotion and Defense of Competition, and press sources.

2016, activity resumed with Focus in agriculture, retail, and energy marked the early part of the period. In 2019, a decline was recorded prior to the pandemic, followed by a sustained recovery with deals mainly involving retail companies. During 2020 and 2021, global services took the leading trend that has continued to the present.

During 2020 and 2021, global services took the lead—a trend that has continued to the present.

Between 2017 and 2024, most transactions took place in the industrial and services sectors, with a smaller share in primary activities. This trend aligns with the broader regional pattern, where most mergers and acquisitions have also been concentrated in services.

The first half of 2025 showed strong activity in terms of the number and diversity of investment transactions compared to the same period in 2024, though with a slight overall decrease. However, there was greater sectoral diversification: while in 2024 most acquisitions and capitalization rounds were concentrated in information and technology, in 2025 investments expanded into new areas such as transportation and storage, retail trade, professional services, energy, and telecommunications.

When comparing transactions made by foreign investors with those by domestic actors, the former significantly outnumbered the latter. Between 2014 and the first half of 2025, 37 transactions were carried out by Uruguayan investors. These domestic operations display a

different sectoral composition: while foreign acquisitions are concentrated mainly in services, Uruguayan transactions tend to focus on industry and commerce.

Within the industrial sector, agribusiness operations—especially meat processing plants—stood out, followed by dairy and processed food companies, and later pharmaceutical firms. Services also played an increasingly important role, particularly in recent years, with notable deals involving retail companies and global services firms. The latter have been the main recipients of foreign investment in mergers and acquisitions, particularly in financial services and information technologies, especially software development.

The pandemic accelerated the digital transformation of businesses, benefiting the technology sector and increasing the attractiveness of these companies. As a result, global services firms accounted for over 50% of all transactions in 2021, as well as in 2022, when their share reached the peak of the period. In 2025, most transactions were again concentrated in services, with 8 out of 10 deals in the first half of the year belonging to that category. This trend mirrors the pattern observed across Latin America, where 54% of all mergers and acquisitions occurred in global services.

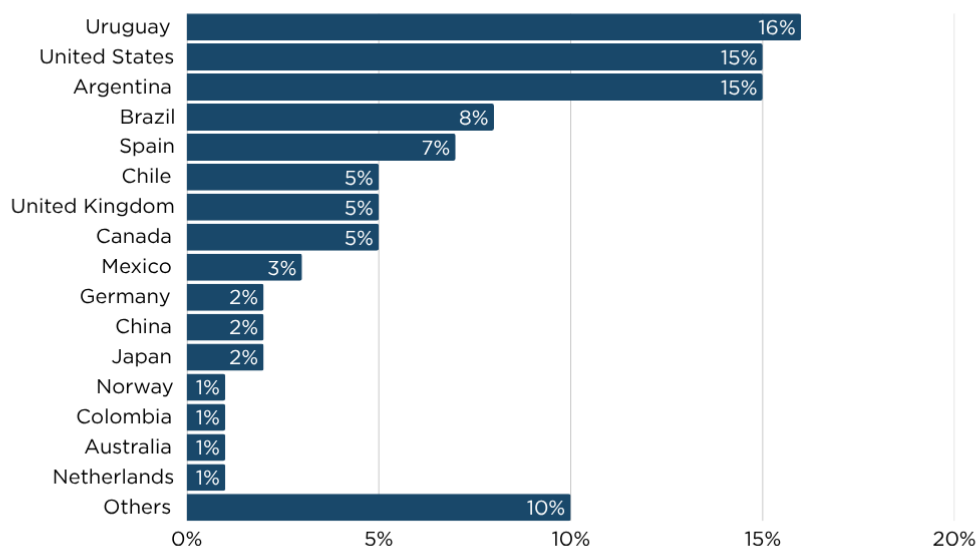
In addition to company acquisitions, foreign investments in Uruguay also include the purchase of assets related to natural resources and energy. These include forest plantations, silos and grain storage facilities, hydrocarbon exploration rights, and wind power plants, as well as other infrastructure assets associated with production and energy supply.

Over the past two decades, the United States and Argentina have emerged as the main foreign buyers of Uruguayan companies, jointly accounting for 31% of all transactions. They were followed by Brazilian investments and acquisitions by Spanish companies. Together, these four countries represented half of all acquisitions, while the remaining half came from a diverse mix of origins, including Chile, Canada, and France.

GRAPH 9

Top Origins of Transactions

Percentage of Transactions – 2014–2024



Source: prepared by Uruguay XXI based on data from EMIS, ORBIS, the Commission for the Promotion and Defense of Competition, and press sources.

Regarding foreign transactions, U.S. companies have led acquisitions in Uruguay within the global services sector, particularly in information technology and business services, followed by operations in manufacturing and energy. Argentine investors, in turn, have focused mainly on industrial companies, while Brazilian investors have concentrated their investments in industry, though in both cases a significant portion has also been directed toward global services. Spanish companies have been especially active, acquiring firms in financial services, information technology, and renewable energy.

Taken together, these developments reflect Uruguay's appeal as a market for corporate transactions. Among the sectors attracting the greatest interest from foreign capital are global services, retail, and industry.

DETAIL OF OPERATIONS IN 2024 AND FIRST SEMESTER OF 2025

For a more detailed analysis of the available information, Table 1 presents the transactions carried out in 2024, including those up to the first half of 2025³.

Investment and acquisition operations in Uruguay featured a strong presence of capital from the United States, Argentina, Brazil, and Mexico, along with European and Asian investors. As in previous years, the trade and services hub concentrated most of the transactions, particularly in technology, fintech, and professional services. Notable among these were Prometeo's investment rounds, which once again attracted capital from major international players such as PayPal and Samsung.

The agribusiness and food sectors remained key investment poles: Bimbo completed the acquisition of Pagnifique, while GDM Holding acquired the corn and sorghum businesses of KWS, and Nufarm took control of IPB Semillas. In the manufacturing industry, several major acquisitions were completed, including the purchase of the San Jacinto meat processing plant, Megalabs' acquisition of Dispert, and other transactions in oils, baked goods, and ice cream, notably the acquisition of Crufi by the British company Froneri.

Additionally, there were infrastructure and energy transactions, such as Chevron's entry into the offshore block Área OFF-1 and Pluspetrol's acquisition of wind projects Cerro Grande and Peralta I/II. In logistics, the acquisition of Compañía Oriental de Transporte by Colonia Express stood out, while in professional services, SGF Global's acquisition of Adecco Uruguay was noteworthy. Finally, the financial sector remained dynamic, with operations such as Balanz Capital's acquisition of brokerage firm CIU and Itaú Unibanco's acquisition of Plexo.

³ Since **Uruguay** does not have an **official registry of M&A transactions**, **Uruguay XXI** compiles its own record based on the institution's **direct engagement with foreign investors**, **licensed databases**, and **press reports**.

TABLE 1

Operations in Uruguay by foreign companies, by type of deal
 2024

2024						
Fecha	Objetivo	Plataforma en Uruguay	Sector	Tipo de Acuerdo	Inversor	País(es) del Inversor
Acquisition						
Jan-24	Nirea SA (Frigorífico San Jacinto)	Industrial production	Manufacturing	Acquisition	Private Investor	Uruguay
feb-24	Pagnifique	Industrial production	Manufacturing	Acquisition	Bimbo Group SAB de CV	Mexico
feb-24	Octobot	Trade and Services Hub	Technological	Acquisition	Sparq; Harvest Partners LP	USA
Mar.-24	AREA OFF-1 block	Domestic Market	Public Administration	Acquisition	Chevron Corp	USA
Mar.-24	Axamer LLC (Habitue)	Trade and Services Hub	Technological	Acquisition	Directo Group	Mexico
Apr-24	OlaCar	Trade and Services Hub	Technological	Acquisition	Taca SpA (Lolocar)	Chili
may-24	Inswitch	Trade and Services Hub	Technological	Acquisition	Transnetwork	USA
may-24	Plantación forestal	Agricultural production and others	Agriculture, forestry, fishing and hunting	Acquisition	OJI HOLDINGS	Japan
may-24	Laboratorios Dispert SA	Domestic Market	Medical care and social assistance	Acquisition	Mega Labs SA (Megalabs)	Germany
may-24	Flokzu	Trade and Services Hub	Technological	Acquisition	Hyperclear Global Investments	Mauricio
may-24	LEBU SRL (IPB Semillas)	Agricultural production and others	Agriculture, forestry, fishing and hunting	Acquisition	Nufarm Ltd	Australia
sep-24	Adecco Uruguay SA	Trade and Services Hub	Professional, scientific and technical services	Acquisition	SGF GLOBAL INC	USA
sep-24	FARMACIA PASTEUR SRL	Domestic Market	Retail trade	Acquisition	COBOE SA (FARMASHOP)	Chili
Oct.-24	Asanavil	Logistics Hub	Transport and storage	Acquisition	Ebara	Japan
Oct.-24	COT	Logistics Hub	Transport and storage	Acquisition	Colonia Express	Argentina
Oct.-24	Mar Austral SRL	Domestic Market	Wholesale trade	Acquisition	Refrigerator Model SA (Frimosa)	Uruguay
Oct.-24	COLOUR STUDIO	Trade and Services Hub	Professional, scientific and technical services	Acquisition	GRUP MEDIAPRO SL	Spain
Oct.-24	Compania Oriental De Transporte SA	Logistics Hub	Transport and storage	Acquisition	Colonia Express	Argentina

Dec-24	Crufi SA	Industrial production	Manufacturing	Acquisition	Froneri International Ltd	United Kingdom
Dec-24	Compra de instalación de granos	Agricultural production and others	Agriculture, forestry, fishing and hunting	Acquisition	Louis Dreyfus Company BV	France; Netherlands
Dec-24	Cerro Grande; Peralta I/II Parques eólicos	Domestic Market	Public Administration	Acquisition	Pluspetrol SA	Argentina
Dec-24	Corporacion de Inversiones Uruguay Sociedad de Bolsa SA (CIU)	Trade and Services Hub	Finance and Insurance	Acquisition	Balanz Capital SA	Argentina
Dec-24	Red Visual SA (Plexo)	Trade and Services Hub	Finance and Insurance	Acquisition	Itau Unibanco Holding SA	Brazil
Minority Stake						
Dec-24	Kintena SA (Spotter)	Trade and Services Hub	Professional, scientific and technical services	Minority Stake	Zorzal Technological Investments SA	Uruguay
Capitalization Round						
Jan-24	ROU PARTNERS	Trade and Services Hub	Finance and Insurance	Capitalization Round	Private	USA
Jan-24	Qualia Fintech SRL (Prometeo)	Trade and Services Hub	Technological	Capitalization Round	PayPal Ventures; PayPal Holdings Inc; Samsung Next LLC; Samsung Group; Kite; Antler Elevate; DN Capital; Magma Partners	United States; South Korea; Mexico; Singapore; Chile
Mar.-24	Nanogrow Biotech	Trade and Services Hub	Professional, scientific and technical services	Capitalization Round	GRIDX; Atgen SRL; angel investors	Argentina; Uruguay
Apr-24	ORDEREAT	Trade and Services Hub	Technological	Capitalization Round	Mr Pink; Private Investors DGF	Argentina; Uruguay
Apr-24	Data4Sales Inc	Trade and Services Hub	Technological	Capitalization Round	Investimentos Holding SA; IC Ventures; Private Investors Private Investors; Fen Ventures; Zentynel	Brazil; Uruguay
sep-24	Xeptiva Therapeutics LLC	Domestic Market	Retail trade	Capitalization Round	Frontier Investments; iThink VC; NDLATAM; Benten Biotech SRL	Chile; Paraguay; Uruguay
Dec-24	Eywa	Trade and Services Hub	Professional, scientific and technical services	Capitalization Round	UIH, Ganesha Labs	Uruguay

Source: prepared by Uruguay XXI based on EMIS, ORBIS, the Commission for the Promotion and Defense of Competition, and press reports.

TABLE 2

Operations in Uruguay by foreign companies, by type of deal

First half of 2025

2025						
Date	Objective	Platform in Uruguay	Sector	Type of Agreement	Investor	Investor Origin
Acquisition						
feb-25	Cablex SA	Domestic Market	Wholesale trade	Acquisition	Serviam SA; Ventus Ingenieria SA	Uruguay
feb-25	Granja Pocha SA	Industrial production	Manufacturing	Acquisition	Groupe Lactalis SA	France
Mar.-25	Vopero Inc	Domestic Market	Retail trade	Acquisition	Cencosud SA	Chili
Apr-25	Linea de Transmisión eléctrica	Domestic Market	Public Administration	Acquisition	Atlantica Sustainable Infrastructure PLC	United Kingdom
Apr-25	Difebal SA	Trade and Services Hub	Professional, scientific and technical services	Acquisition	Atlantica Sustainable Infrastructure SLU; Atlantica Sustainable Infrastructure PLC	Spain; United Kingdom
may-25	Telefonica Moviles Del Uruguay SA	Trade and Services Hub	Technological	Acquisition	Millicom International Cellular S.A.	Luxembourg
may-25	Manatil SA	Logistics Hub	Transport and storage	Acquisition	SADA Group	Brazil
Minority Stake						
Mar.-25	Arkano Software	Trade and Services Hub	Technological	Minority Stake	Zorzal Technological Investments SA	Uruguay
Capitalization Round						
Jan-25	Flipzen	Trade and Services Hub	Technological	Capitalization Round	angel investors; Tantaucos Ventures; Nido Ventures; Worthit; iThink VC;	Chile; Mexico; Peru; Paraguay; Uruguay

					National Research and Innovation Agency (ANII)	
Mar.-25	SUA	Logistics Hub	Transport and storage	Capitalization Round	Private Investor	Saudi Arabia
Mar.-25	Ahorra fácil	Trade and Services Hub	Finance and Insurance	Capitalization Round	UIH, Private Investor	Uruguay
Mar.-25	TELL	Trade and Services Hub	Professional, scientific and technical services	Capitalization Round	UIH, Ganesha Labs	Uruguay
Mar.-25	Strike Security LLC	Trade and Services Hub	Technological	Capitalization Round	Galicia Ventures; Greyhound Capital; Fintech Collective; Private Investors	Argentina; United Kingdom; United States
Apr-25	Folium SAS	Trade and Services Hub	Finance and Insurance	Capitalization Round	Pitchdrive; Iope Ventures	Belgium; Spain
Apr-25	Zapia AI	Trade and Services Hub	Technological	Capitalization Round	Endeavor Catalyst; Prosus Ventures	United States; Netherlands

Source: prepared by Uruguay XXI based on EMIS, ORBIS, the Commission for the Promotion and Defense of Competition, and press reports.

MAIN ACTORS IN URUGUAY'S PRIVATE CAPITAL ECOSYSTEM

The private capital industry in both the region and Uruguay is experiencing significant growth, with increasing interest in startups as an investment option. In response to this trend, the Uruguayan Private Capital Association (URUCAP)⁴ was established in 2022, bringing together VC, CVC, and PE funds, as well as angel investors and accelerators. URUCAP organizes a range of activities, including talks and networking events, where members share knowledge on regulations, technologies, and investment opportunities. It also hosts sessions with local and international experts on topics such as corporate law and investment in foreign markets.

Currently, URUCAP has 92 active members, of which 9% are service providers, 33% are investment funds and strategic partners, and the remaining 58% are angel investors. Most of the investment funds are regional, coming from Argentina, Brazil, Chile, and Paraguay.⁵

There are also other institutions that provide support during the early stages. The National Development Agency (ANDE) stands out for offering technical assistance, mentorship, and financing, as well as managing the Uruguay Emprendedor online portal. The National Research and Innovation Agency (ANII) also plays a key role, providing several support instruments for entrepreneurship, such as business idea validation (in partnership with ANDE), innovative entrepreneurship programs, an expansion fund for internationalization, and various financing mechanisms.

Uruguay XXI complements these initiatives through its online Investment Portfolio, which promotes investment opportunities available in the country⁶ which showcases opportunities that investors can access through free registration. It includes investment opportunities both in established companies and in new projects seeking foreign investors, either minority or majority participation, as well as companies for sale.

To be listed on the portal, startups and new ventures must be seeking at least USD 200,000 in investment, while established companies must be seeking at least USD 500,000. The portfolio features a wide range of companies: some looking for investment to grow, others

⁴ Ver: <https://urucap.org/>

⁵ <https://urucap.org/wp-content/uploads/2024/09/Directorio-de-Socios-Agosto23-Agosto24-1.pdf>

⁶ Ver: <https://proyectosinversion.uruguayxxi.gub.uy/login>

facing financial difficulties or seeking a sale for family reasons. It includes early-stage startups seeking VC funds, mature firms, and even companies in bankruptcy.

In a sectorial point of view: the portfolio is highly diverse, featuring opportunities in technology, biotechnology, agribusiness, industry, tourism, real estate, among others. For cases in which company information is confidential, a non-disclosure agreement (NDA) must be signed.

As of early October 2025, there were 147 registered investors on the online portfolio, mainly from Uruguay (22%) and Argentina (20%). In total, 48% are interested in investment tickets equal to or below USD 1 million. The platform consistently maintains around 60 active companies and projects throughout the year.

In parallel, ANII has deployed specific instruments and programs aimed at supporting the growth and expansion of startups and innovative companies in the country. These instruments include:

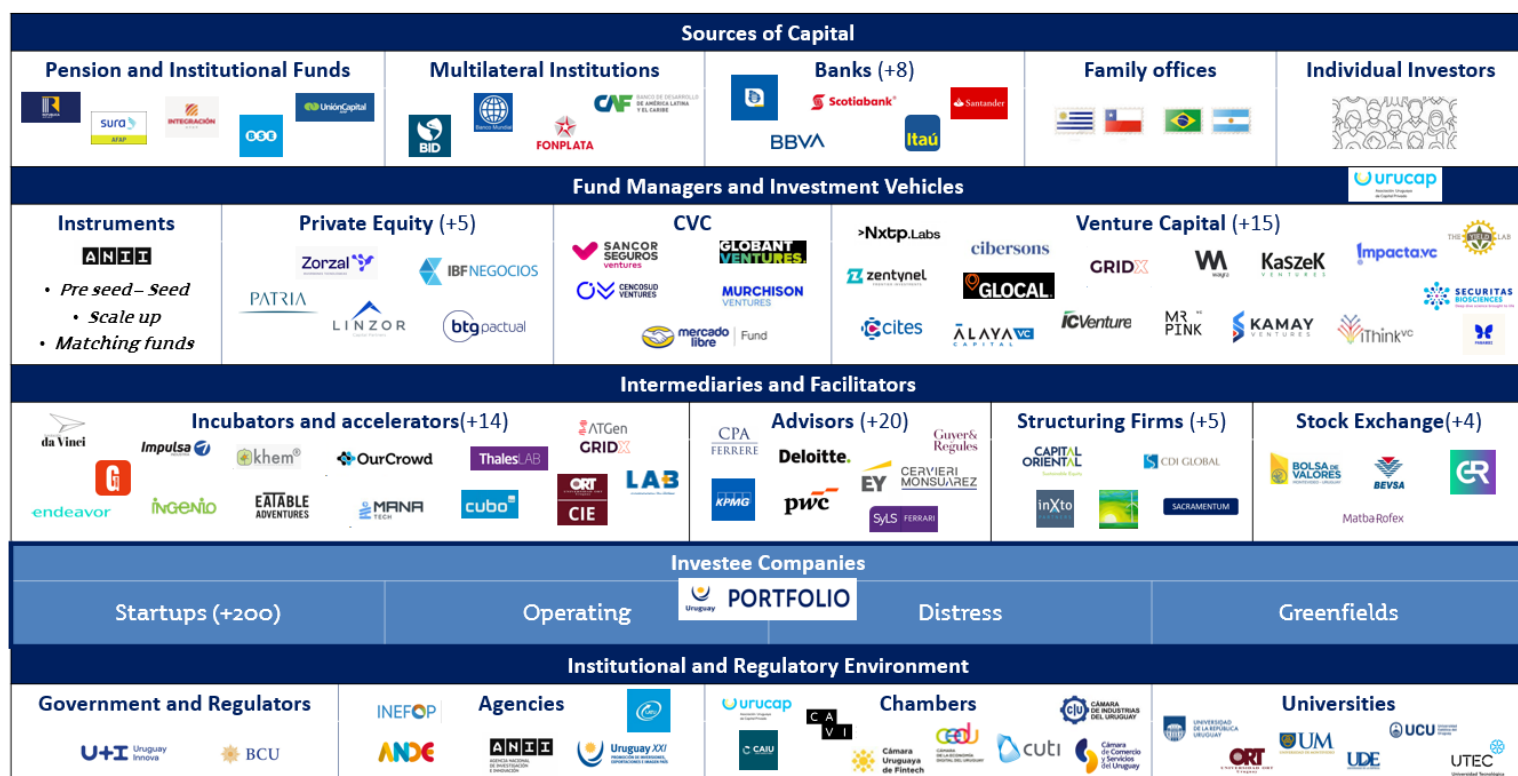
- **Acceleration Program:** this instrument provides financial resources, strategic guidance, and access to global networks, enabling Uruguayan startups to consolidate their position in the domestic market and expand internationally, thereby improving their competitiveness on the global stage⁷.
- **Biotechnology Company Builder:** this instrument aims to create favorable conditions for the emergence and development of new biotechnology ventures in Uruguay, attracting talent and investment to this key sector⁸.
- **Financing:** it also offers a co-investment scheme to invest jointly with venture capital organizations and angel investors in technology and science-based startups at early stages.
- **Dynamic Spaces:** in 2024, an Innovation Campus was inaugurated within the LATU Innovation Park in Montevideo.
- **Platforms for Testing and Prototyping:** the program promotes the creation of open innovation spaces that allow startups and companies to access technologies for developing prototypes and proofs of concept in controlled environments⁹.

⁷ Following an international call for proposals, the consortium formed by OurCrowd, Manatech, the CIE of Universidad ORT, and the Ingenio incubator at LATU was selected to implement a startup acceleration program.

⁸ A second consortium, composed of GridX and ATGen, was selected to implement a company builder program focused on biotechnology.

⁹ Among the innovation laboratories established, several stand out: Antel ODL, which enables testing and prototyping with 5G technology; the Microsoft Co-Innovation Lab, which provides access to artificial intelligence tools; and Newlab, an open innovation platform that connects large companies with startups to address specific challenges.

Private Capital Ecosystem



SOURCES OF CAPITAL

INSTITUTIONAL AND PENSION FUNDS

In Uruguay, pension funds (AFAPs) and certain institutional entities represent a potentially significant yet still underutilized source of private capital. AFAP Sura, Integración, República AFAP, and Unión Capital manage substantial volumes of domestic savings, although their direct participation in Private Equity (PE) or Venture Capital (VC) funds remains limited due to regulatory constraints. Some actors, such as Oikos and Unión Capital AFAP, have shown interest in diversifying into alternative assets. The development of private debt instruments and infrastructure funds could help channel part of this institutional savings toward productive projects.

MULTILATERAL ORGANIZATIONS

These institutions play a key role as anchor investors or co-investors, both in equity funds and structured financing vehicles. They have supported impact investing instruments, renewable energy projects, and programs to strengthen the entrepreneurial ecosystem. Additionally, they provide guarantees and technical assistance, acting as confidence catalysts for private investors.

COMMERCIAL BANKS

The Uruguayan banking system has played a limited role in traditional private capital, though it does participate in structured debt operations, stock market issuances, and project finance. Some global banks maintain M&A advisory or wealth management units indirectly connected to the ecosystem. The development of hybrid instruments and the role of local banks as deal structurers represent areas of opportunity.

FAMILY OFFICES AND INDIVIDUAL INVESTORS

Local and regional family offices (mainly from Uruguay, Chile, and Brazil) are a flexible source of capital, with a higher risk appetite and shorter decision cycles. Uruguay also has a growing community of angel investors, partly organized around URUCAP and other informal groups. This segment is particularly relevant at the seed and early-stage levels, contributing not only capital but also sector expertise and international networks.

FUND MANAGERS AND INVESTMENT VEHICLES

PRIVATE EQUITY

Uruguay's PE market is incipient but regionally integrated. Funds such as Linzor, PATRIA, BTG Pactual, and Zorzal Capital have participated in medium-scale operations, often through holdings or acquisitions in agribusiness, logistics, and services. Investment tickets typically exceed USD 5 million, focusing on majority or controlling stakes.

VENTURE CAPITAL

The VC segment has expanded over the past decade with the emergence of active regional funds and new local managers. There has been a rise in co-investments with international funds in tech-based, fintech, and biotech startups. However, the number of funds domiciled in Uruguay remains limited relative to the total investing in the country.

CORPORATE VENTURE CAPITAL (CVC)

Several corporate groups have begun investing in innovation through CVCs or strategic alliance funds. Examples such as Sancor Seguros Ventures, Globant Ventures, and the Mercado Libre Fund stand out as regional benchmarks with local participation or partnerships. Insurance companies and technology firms are showing increasing interest in this model.

INTERMEDIARIES AND FACILITATORS

INCUBATORS AND ACCELERATORS

The ecosystem includes more than a dozen active incubators and accelerators, which play a crucial role in preparing startups and university spin-offs to receive private investment. They are complemented by programs from ANII, Uruguay XXI, LATU, and universities.

FINANCIAL ADVISORS AND AUDIT FIRMS

Major consulting and local advisory firms play a central role in deal structuring, due diligence, valuations, and tax advisory. They also help professionalize growing companies, a key step for accessing institutional capital.

INDEPENDENT INVESTMENT BANKS AND STRUCTURING FIRMS

Local boutique firms act as intermediaries in private transactions and sale processes. Although the annual deal volume remains modest, they contribute expertise and international standards to an emerging market.

STOCK EXCHANGES AND CAPITAL MARKETS

BEVSA and the Montevideo Stock Exchange (BVM), together with MatbaRofex (for commodities and derivatives), form the formal infrastructure for channeling investment. While liquidity and the number of issuers are still limited, there are initiatives to introduce new instruments such as exchange-traded notes and private debt securities.

INVESTEES COMPANIES

Private capital recipient companies can be grouped into three main segments:

- Startups and scaleups: more than 200 identified in fintech, healthtech, agtech, and export-oriented software, among other verticals. They have attracted investment from regional VC funds and impact investors.
- Operating companies: established SMEs in agribusiness, logistics, food, and technology, requiring capital for expansion, professionalization, or internationalization.
- Greenfield projects: linked to foreign direct investment (FDI) or public-private partnerships, with potential to incorporate infrastructure or private credit funds.

As previously mentioned, Uruguay XXI's online portfolio primarily serves to connect local opportunities with international investor demand.

INSTITUTIONAL AND REGULATORY ENVIRONMENT

The ecosystem operates within a robust yet fragmented institutional framework. The Central Bank of Uruguay (BCU) regulates the capital markets and investment funds; Uruguay XXI, ANDE, and ANII promote innovation and entrepreneurial capital; URUCAP coordinates angel investors; and various business chambers—such as CIU, CNCS, CUTI, and the Fintech Chamber—provide sectoral coordination.

Universities including UDELAR, UTEC, ORT, UCU, and UM strengthen the pipeline of talent and projects. Persistent challenges remain regarding the depth of the secondary market and the availability of systematic data on private capital transactions.

INVESTOR SURVEY

As part of the report on the characterization of Uruguay's private capital ecosystem, the following section presents a summary of the main findings from the second annual investor survey, prepared jointly by Uruguay XXI, ANII, and URUCAP.

The survey aimed to deepen understanding of investment activity in Uruguayan ventures during 2024, identifying trends, amounts, sectors, and perceptions among the ecosystem's key stakeholders.

All responses were treated confidentially and in aggregate form, ensuring the anonymity of participants to provide a representative and up-to-date view of private capital in the country.

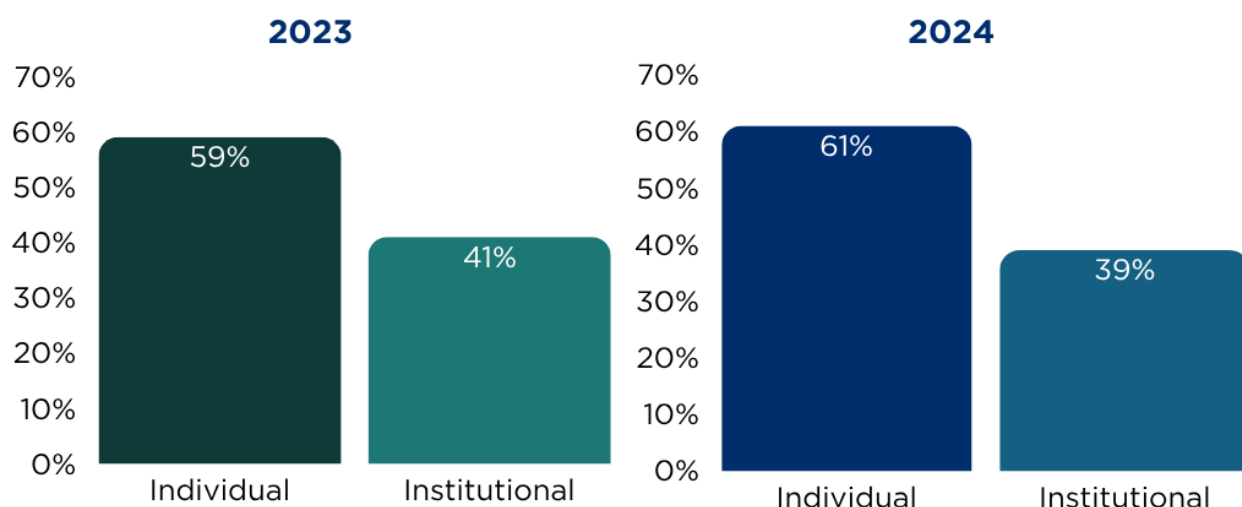
Methodological note: this edition compares the results with those from the URUCAP annual survey conducted in 2024, to analyze the evolution of responses where applicable.

SURVEY RESULTS

The 2025 Annual Investor Survey gathered 23 responses, primarily from URUCAP members, and reflects an ecosystem dominated by individual investors (61%) who participate mainly in seed or early-stage venture capital rounds, typically with long-term investment horizons (over seven years). In URUCAP's July 2024 survey, 19 responses were collected.

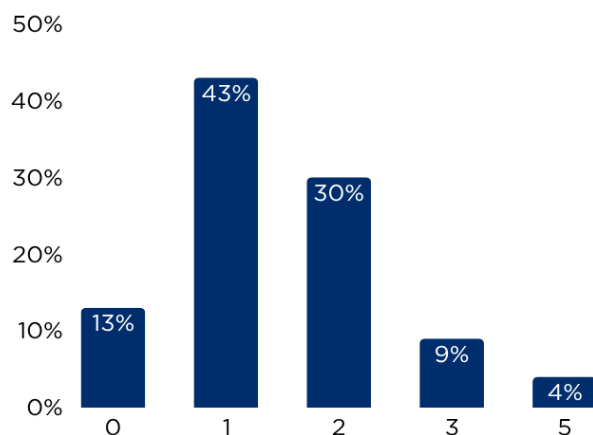
GRAPH 10

Are you an individual or institutional investor?



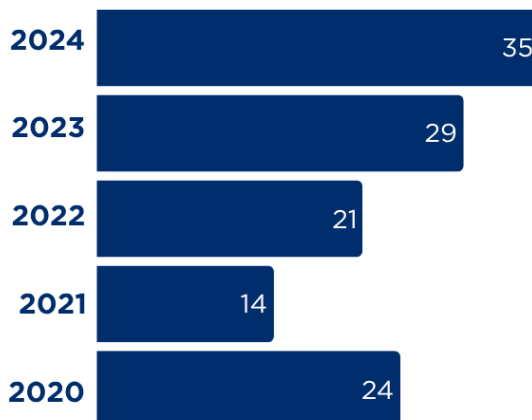
GRAPH 12

How many investment rounds in Uruguayan startups have you participated in during 2024?



GRAPH 13

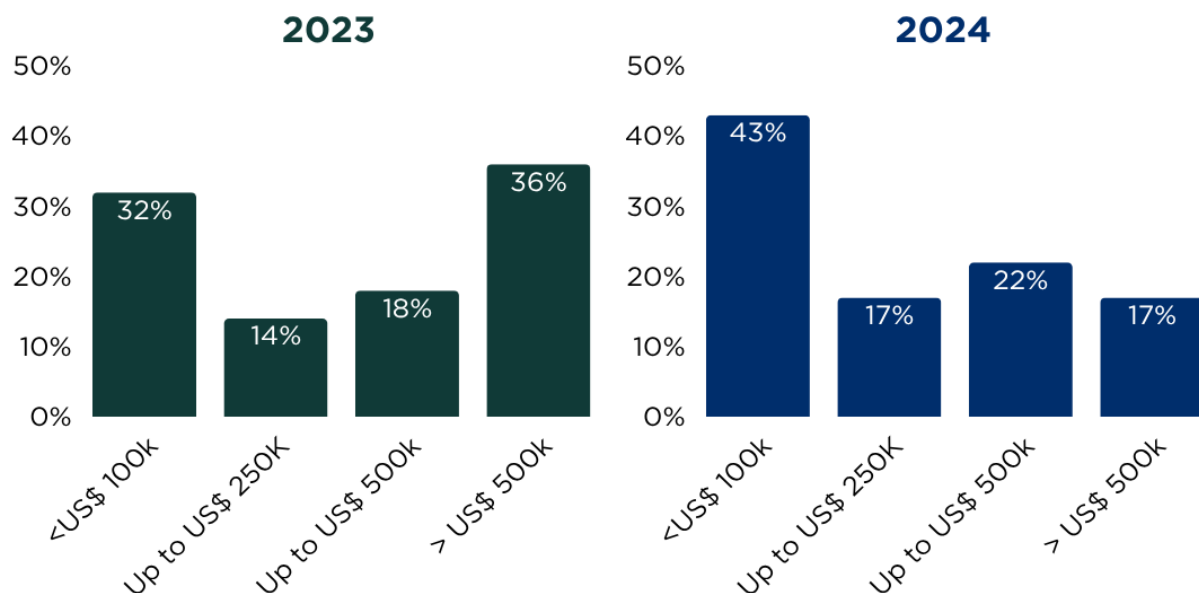
Total participation in Uruguayan investment rounds



During 2024, approximately 35 investment rounds were completed — a higher number than in previous years — with moderate investment amounts averaging around USD 400,000, confirming that the entrepreneurial capital market operates with a considerable level of activity. The median investment recorded was USD 200,000, representing the average ticket size observed in 2024 data.

GRAPH 13

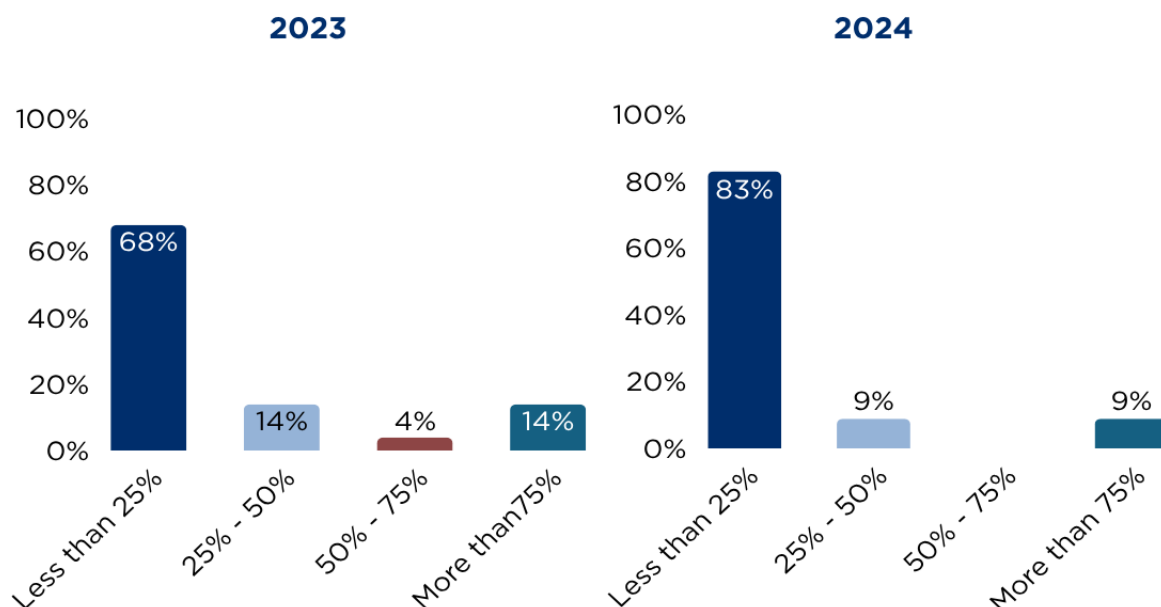
What is the total amount you have invested in Uruguayan startups in 2024?



The sample shows that the vast majority of investors (83%) allocate less than 25% of their portfolios to Uruguayan ventures, indicating a high level of international diversification.

GRAPH 14

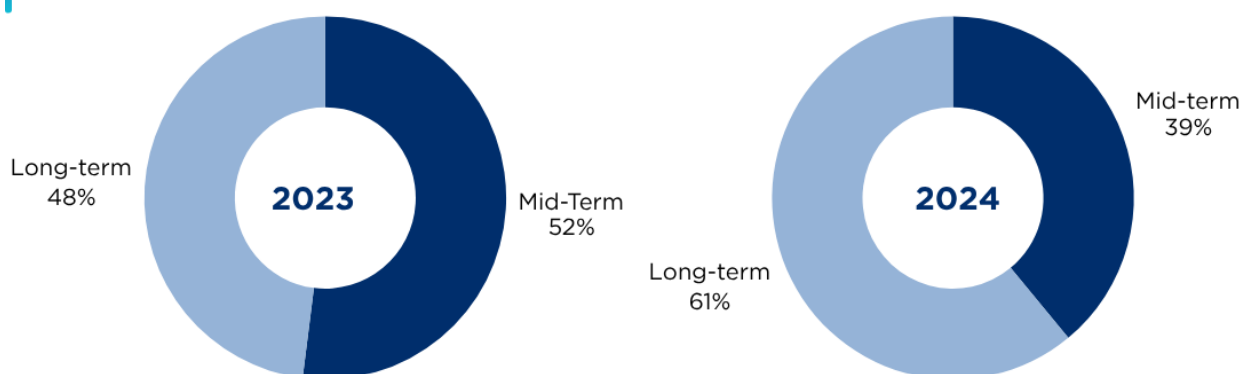
Approximately, what percentage of your AUM (Assets Under Management) is allocated to Uruguayan startups?



Regarding the time horizon, a long-term perspective predominates: 61% of respondents hold investments for more than seven years, while the remainder focus on three- to seven-year horizons, reflecting a patient, growth-oriented approach toward the development of their projects.

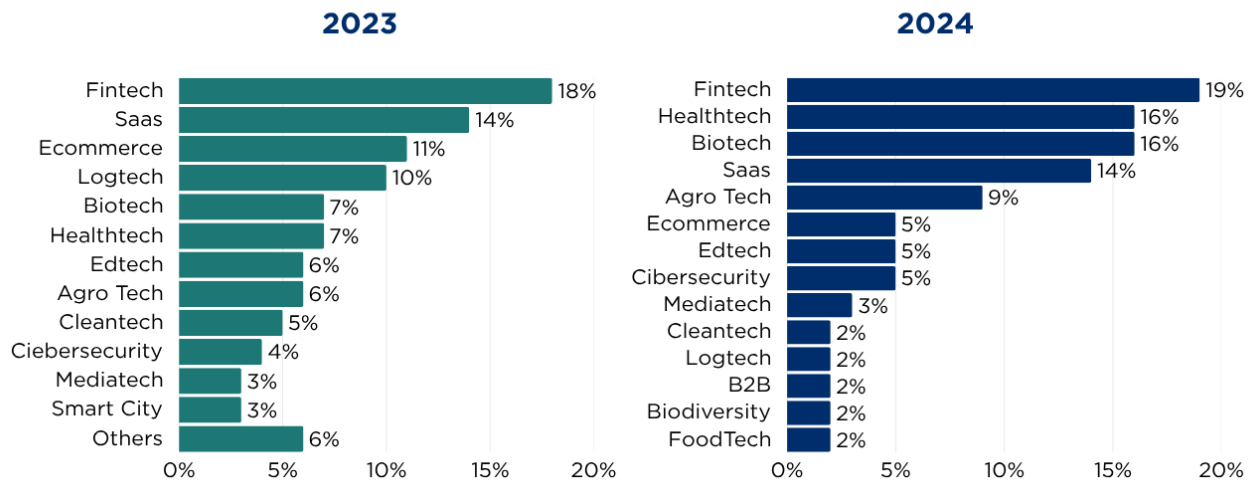
GRAPH 15

What is the typical duration of your investments?

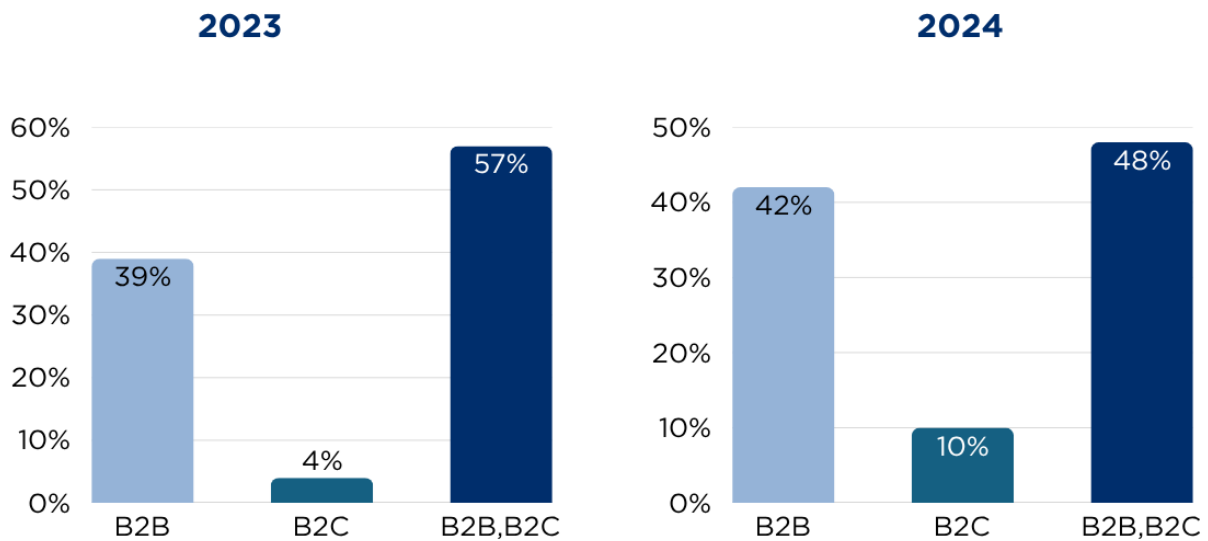


The most frequently selected sectors were fintech, healthtech, biotech, and SaaS, reflecting a clear focus on technology and business-to-business (B2B) solutions. 91% of investors locate their investments in Montevideo, with only marginal presence in the rest of the country, confirming the centralization of the entrepreneurial ecosystem in the capital city.

GRAPH 16

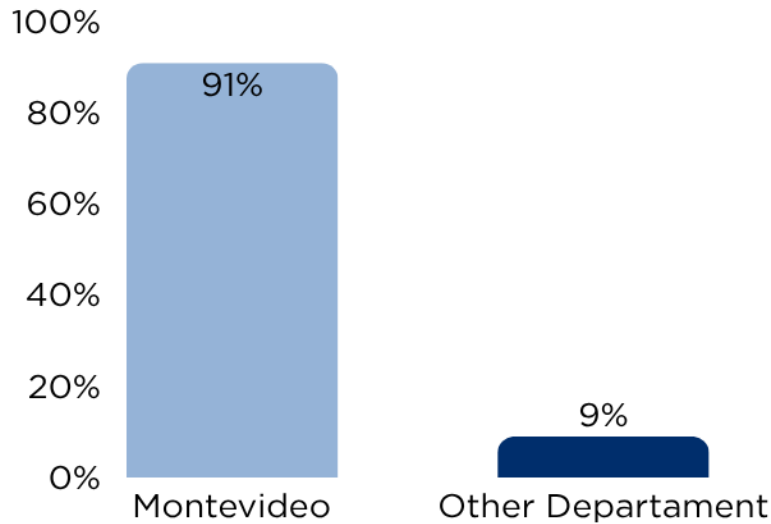
Which sectors or industries are the primary targets of your investments?

GRAPH 17

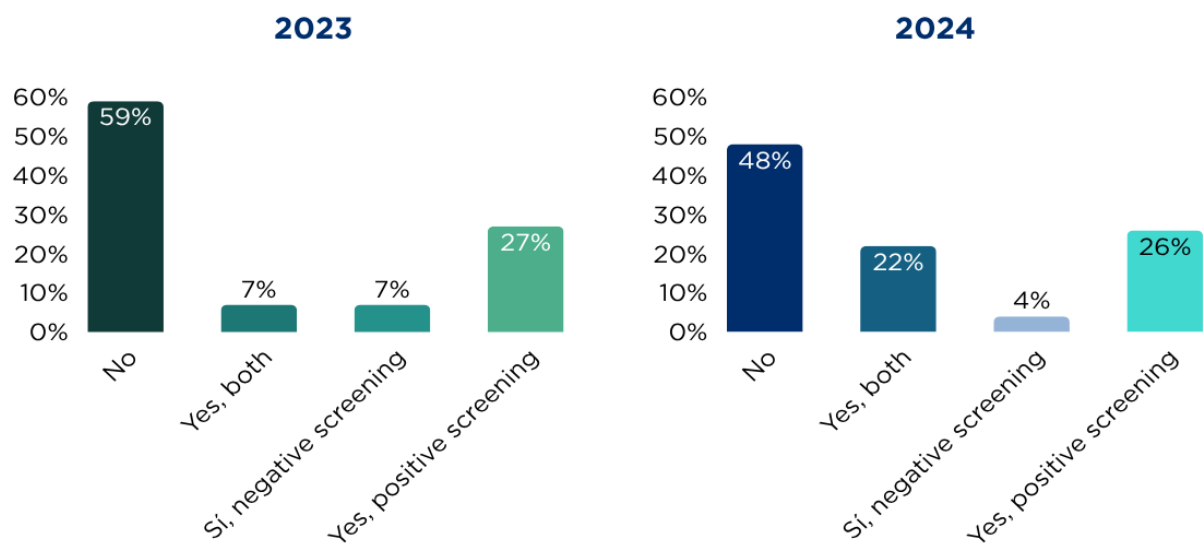
Do the invested companies operate with a B2B (Business to Business) or B2C (Business to Consumer) model?

In terms of sustainability, 52% of investors apply some form of positive or negative screening policy, while the remainder do not use such filters. Additionally, 39% have invested in impact ventures, mainly related to health, traceability, and the circular economy.

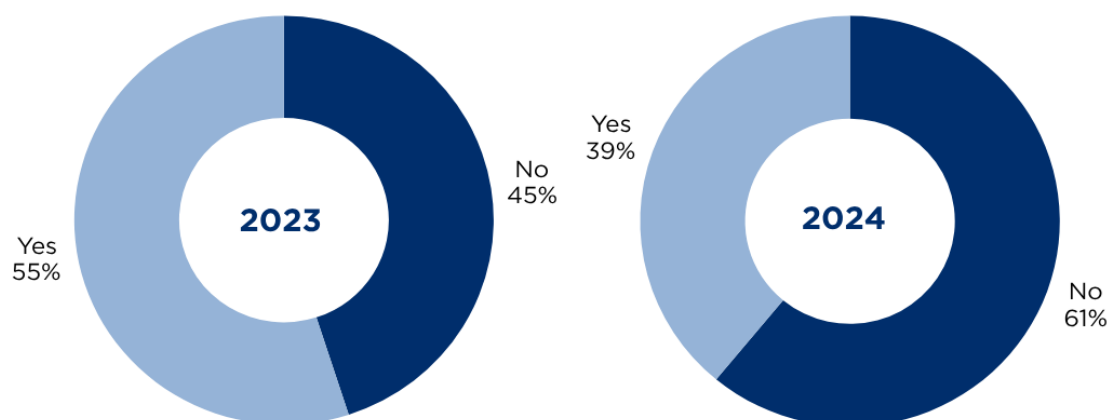
GRAPH 18

Where are your investments located?

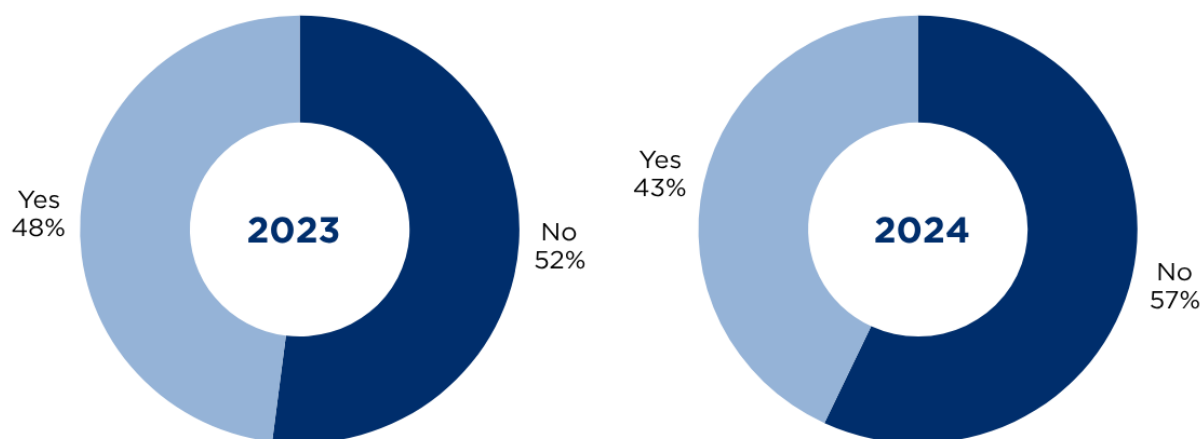
GRAPH 19

Do you apply a “positive or negative screening” policy in your investments?

GRAPH 20

Have you invested in impact ventures in 2024?

GRAPH 21

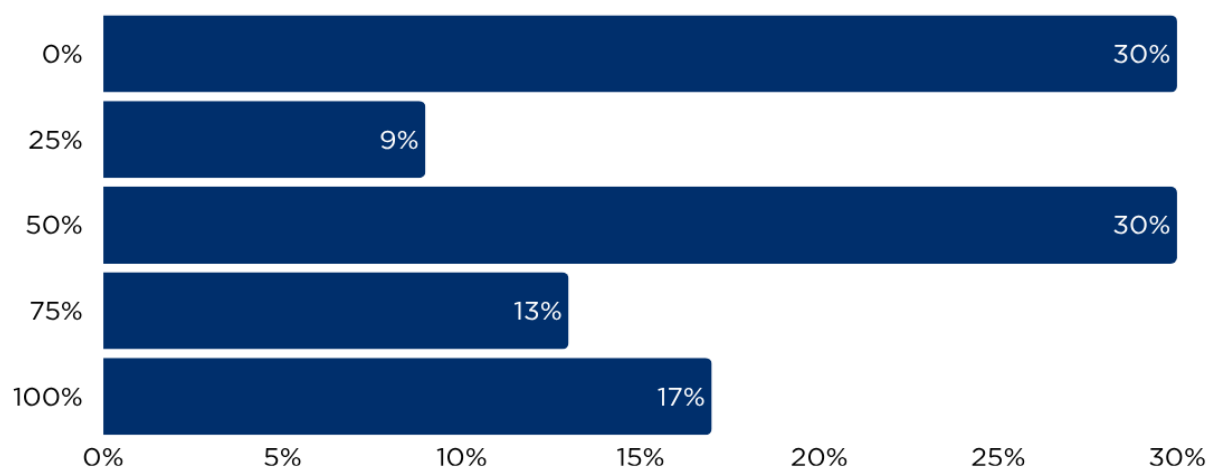
When investing in companies, do you consider the participation of women in senior management?

There is growing interest in incorporating a gender perspective into investment decisions. 43% of investors report taking into account the presence of women in senior management when making investment choices, while 57% do not consider it a criterion. Among the investee companies, one-third have no women in leadership positions, another third have 50% or more female representation, and the remainder fall within intermediate levels, indicating partial progress toward greater gender equity in business leadership.



GRAPH 22

Among the companies you invested in during 2024, what percentage of them have women in senior management?



REGULATORY FRAMEWORK IN URUGUAY

INVESTMENT FUND REGULATIONS

Law No. 16,774 establishes that investment funds “constitute an independent pool of assets made up of contributions from individuals or legal entities under the framework of this law, for investment in securities and other assets.”

Investment fund management companies must be authorized by the Central Bank of Uruguay (BCU).

Relevant sources: Law 16,774 and the Financial Services Superintendency – Securities Market Regulatory Compilation.

COMPETITION LAW

The Commission for the Promotion and Defense of Competition is the main institution responsible for overseeing and enforcing competition policy in Uruguay. Its objective is to monitor and sanction anti-competitive practices.

Main functions:

1. Investigate and sanction those engaging in potentially anti-competitive practices.
2. When applicable, receive notifications or requests for authorization regarding economic concentration operations (mergers and acquisitions).

Participants involved in economic concentration operations must notify or request authorization from the Commission (or, where applicable, from the Central Bank of Uruguay, the Regulatory Unit for Energy and Water Services – URSEA, or the Regulatory Unit for Communication Services – URSEC, as the respective sectoral regulators) when the following thresholds are met — and no exemptions apply:

- A) Prior Authorization Requirement Any economic concentration operation will require prior authorization from the competent authority when, in any of the last three fiscal years (i) The combined annual net turnover (excluding taxes) within Uruguayan territory of all participants in the operation is equal to or greater than 500,000,000 Indexed Units (UI); and (ii) The annual net turnover within Uruguay of two or more participants, each considered individually, is equal to or greater than 30,000,000 UI. Both conditions (i) and (ii) must be met simultaneously.

B) Prior Notification Requirement: In all cases where the annual net turnover within Uruguay of the participants in the operation, in any of the last three fiscal years, is equal to or greater than 500,000,000 UI, but condition (ii) above is not met, the operation must still be reported to the competent authority. The authority has discretionary power to determine whether the operation is subject to authorization, and if so, the authorization request must subsequently be submitted.

Law 18,159, Law 19,833, and their Implementing Decree 404/007 as amended by Decree 194/020.

MERGER REGULATIONS

From a legal standpoint, mergers are governed by Law 16,060 (Commercial Companies Law), which regulates both mergers by creation—when two or more companies dissolve without liquidation and transfer their assets universally to a newly created company—and mergers by incorporation, in which one or more companies dissolve without liquidation and transfer their assets universally to an already existing company. The legislation also covers spin-offs, which occur when a company transfers portions of its assets to one or more newly created entities. In the case of mergers and spin-offs, it is possible to obtain certain tax exemptions, which represent an advantage over other alternatives such as the sale of a business establishment. These tax exemptions are established under Article 26 of Law 16,906 (Investment Law), Title 4 of the 2023 Consolidated Text, and Decree 150/007 and its amendments.

This framework empowers the Executive Branch to grant exemptions from the Corporate Income Tax (IRAE), Value Added Tax (VAT), and Property Transfer Tax applicable to mergers, spin-offs, and corporate transformations, if such operations serve to expand or strengthen the applicant company. The granting of these exemptions is at the discretion of the Executive Branch. Since January 1, 2024, mergers or spin-offs do not generate goodwill for tax purposes when the following conditions are met: the transaction is carried out at book value; the ultimate beneficial owners remain entirely the same (holding at least 95% of their proportional ownership) and unchanged for a period of no less than two years; the business activities of the predecessor companies are maintained; and the merger or spin-off is reported to the National Internal Audit Office, which maintains a registry for this purpose, including information on the entire ownership chain. *Law 16,906, Law 16,060, Law 20,212, Title 4 of the Consolidated Text, and Decree 150/007.*

RELEVANT REGULATIONS FOR BUSINESS ACQUISITION

The acquisition of a company may be carried out through various legal mechanisms, such as the purchase of a controlling shareholding (the most common legal form) or, less frequently, through the sale of a business as a going concern (“establecimiento comercial”). The sale of a business establishment involves the transfer of a set of assets and the assumption by the buyer of joint liability for certain debts. The main legal framework for company acquisitions is the purchase of shares or equity interests, governed primarily by Laws 16,060 and 19,820, which establish the formal requirements for transferring shares and equity stakes across different types of commercial companies. Laws 18,930, 19,288, and 19,484 are also relevant, as they regulate the obligation to report any change in ownership structure to the Central Bank of Uruguay’s Registry of Holders of Equity Interests. From a tax perspective, share sales are subject to IRPF or IRNR at an effective rate of 2.4% of the sale price (a 12% rate applied to a deemed income base of 20%), unless double taxation treaties apply, in which case the transaction may be exempt or taxed at a lower rate. According to tax authorities, for the purpose of paying taxes, the sale price must reflect market value, regardless of the amount stated in the contract. Since January 1, 2024, the sale of shares in Uruguayan companies is exempt from IRPF provided the following conditions are met: the buyers are legal entities that are tax residents in Uruguay; the individual seller is the ultimate beneficial owner of the acquiring entity or entities; after the transfer, the seller continues to hold at least 95% of the transferred shares as ultimate beneficial owner for a period of no less than four years; the business activities of the predecessor companies remain unchanged during that period; the transfer price is equivalent to the fiscal value of the shares; and the transaction is reported to the National Internal Audit Office, including information on the entire ownership chain. If the seller of shares or equity interests is a Uruguayan company, the gain from the sale is subject to IRAE at a rate of 25%. The taxable income is determined as the sale price minus the fiscal cost of the shares or equity interests, which may be calculated based on either the acquisition cost adjusted for inflation or the proportional book value adjusted under net worth tax rules. In restructuring cases involving the sale of shares in Uruguayan companies by IRAE taxpayers, and provided the transactions meet conditions similar to those described for IRPF, no taxable income is deemed to arise. The sale of shares is exempt from VAT, while the sale of business establishments is subject to IRPF, IRNR, or IRAE, depending on the taxpayer. *Laws 2,904, 14,433, Consolidated Text, 16,060, 19,820, 18,930, 19,288, and 19,484.*

ANNEX: VENTURE CAPITAL & PRIVATE EQUITY

VC funds invest in and provide expertise to early-stage companies with high growth potential (startups). PE funds, on the other hand, invest in and provide guidance to mature companies, while also attracting investment from other funds. The difference lies not only in the type of companies targeted but also in the investment method: PE funds invest through debt or equity, whereas VC funds invest primarily through equity.

An investment fund is a group of managers who pool capital from investors to invest in companies. These investors, known as Limited Partners (LPs), provide financing but not expertise and do not participate in management. LPs may include institutional investors, pension funds, family offices, and individual investors, among others. Such investors typically do not require immediate liquidity, allowing them to commit funds over the long term. LPs sign a Limited Partner Agreement, which outlines the investment conditions, such as exit timelines and target sectors.

PE funds tend to focus on companies with growth potential, providing capital, management support, and strategic guidance. Some PE funds specialize in financially distressed or bankrupt companies. The most common sectors include retail, energy, agriculture, agribusiness, and raw materials production. VC funds, meanwhile, usually invest in technology and biotechnology startups, aiming to scale operations quickly and achieve high returns. Because these investments occur at early stages, they are generally considered high-risk.

The most common financing mechanism is investment rounds, although debt instruments are also used. Startups rely on these funds to raise capital, beginning with seed rounds—the first stage of investment—which often involve an angel investor (an experienced entrepreneur providing both capital and mentorship). These are followed by Series A, B, and C rounds, accessed progressively as the company develops.

While VC funds are increasingly investing at earlier stages, seed capital (pre-Series A) remains distinct, involving smaller tickets, typically below USD 0.5 million.

The managers of PE and VC funds are responsible for three main tasks: sourcing, evaluating, and deciding which mature companies or startups to invest in; executing legal and financial

operations to carry out those investments; and managing their investment portfolios of companies and startups.

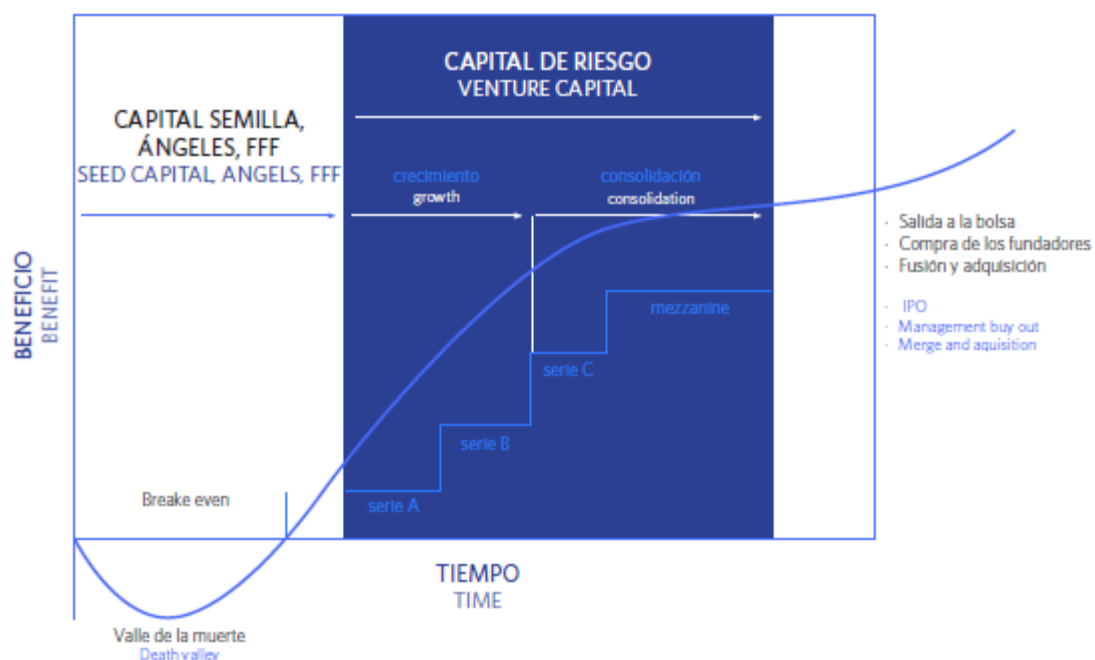
Figure 3

Funding rounds

Stage	When to Raise Capital?	Traction (Monthly Revenue)	From Whom?	Purpose	Average Round Size	Pre-Money Valuation
Pre-Seed	Idea / Pre-revenue MVP	Insignificant	Family & Friends/ Angels/ Accelerators	Build the MVP and team	< USD 500k	USD 1–3M
Seed	MVP Launch / MVP with revenue	USD 5–30k	Angel Investors / Seed Funds	Invest in growth and refine the MVP	USD 1–2M	USD 4–6M
Post-Seed / Pre-Series A	Early Product-Market Fit	USD 10–50k	Seed Funds / Series A Funds	Achieve early scalability	USD 2–4M	USD 10–15M
Series A	Proven Product-Market Fit	USD 60–100k	Series A & B Funds	Scale-up	USD 5–16M	USD 25–50M
Series B	Unit Economics LTV:CAC > 3:1 / Near	USD 200k+	Series B Funds	Aggressive scaling and profitability	USD 20–80M	USD 90–300M
Series C+	Clear path to Exit / Growth through proven	USD 500k+	Growth-Stage VC Funds	Expansion / Preparing for Exit	USD 40–100M+	USD 300M+

Source: Startupeable.

Figure 4

Funding cycle and Start-up Stages


Fuente: Impact Report ACVC 2022.



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