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2025 Scale-Ups Confidence Survey

EME Report | 2025

Contents

Foreword

We are delighted to present our sixth edition of the Deloitte Scale-Ups* Confidence Survey. This edition features an expanded geographic footprint from an even larger pool of European and Middle East (EME) scale-ups, together with insights from investors and experts. We would like to thank all of the contributors, and give a 'shout out' to the team at Beauhurst for their collaborative support.

We are very grateful to have the opportunity to present these findings to you. Set against a landscape of worsening geopolitical tensions, funding landscape uncertainty, and supply chain complexity, we believe this survey presents something of a remedy: our scale-up respondents are on the whole positive and confident as to their growth prospects, funding opportunities and plans for hiring. We should celebrate that our scale-up founders and management teams have retained the ability to see past the headlines and remain focused on their intent; to innovate, disrupt and scale at pace.

In these unsettling and challenging times, Europe needs the confidence of and leadership from entrepreneurs and scale-up leaders more than ever. Thankfully our political leaders are waking up to the role that scale-up companies can play in Europe's future. The report of Mario Draghi[1] served as a clear wake-up call. Europe is fully setting sails with its EU Competitiveness Compass. Perhaps there is no better momentum than now for all European founders to surf the waves that Europe is creating.

We encourage readers of this Survey to avoid only focusing on the results from your home nation, but rather to buck the trend of increasing nationalistic tendencies to take this opportunity to learn from your friends and neighbours in other geographies. By learning from each other, we will build better scale-ups which will benefit everyone.

Enjoy the read.

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(*) Scale-ups are defined as fast growth, technology-backed, entrepreneurial disruptor businesses for the purposes of the report. We surveyed 434 scale-ups across 7 geographies across EME in compiling this survey. In this report, the term 'scale-ups' covers the full range of maturity stages of emerging growth companies – from start-up to scale-up.

(1) https://commission.europa.eu/topics/eu-competitiveness/draghi-report_en

1. Executive Summary

Most prominent trends within the Scale-up Ecosystem 2025

Scale-ups continue to cite lower/delayed new business and customer signings as their main challenge in reaching growth ambitions

Across nearly all regions, scale-ups faced a primary hurdle: reduced or delayed new business and customer acquisitions. Market uncertainty hampered decision-making, a trend particularly pronounced in the UK, where 71% of respondents reported this impact. Cash flow, liquidity, funding, and operational challenges also emerged as widespread concerns. Notably, cash flow issues were a key worry for Middle Eastern scale-ups, while operational challenges were most pressing for those in Greece.

The United States remains the top destination for international expansion for scale-ups

When scale-ups were asked about international expansion, the US was the most frequent response. While intra-country expansion remains popular in larger markets like Spain, it's also notable in smaller nations such as the Netherlands, Belgium and Switzerland. Additionally, scale-ups in most other countries show a preference for expanding into geographically close neighbours, likely driven by familiarity, linguistic and cultural alignment, and potentially lower logistical expenses.

Most scale-ups do not have an exit strategy. Those that do prefer to exit via an acquisition rather than an IPO[2]

Surprisingly, the majority of scale-ups do not have an exit strategy. Those that do are looking towards M&A as a potential exit route, with an IPO being a much less popular choice. Interestingly, the majority of scale-ups in the Middle East and Switzerland have an exit strategy. Across the rest of the geographies, it is less common for scale-ups to have an exit plan.

Despite country-specific differences in focus, acquiring new customers and entering new markets emerged as shared priorities among scale-ups

Going forward, the primary focus for scale-ups is to acquire new customers, with at least 73% of scale-ups across all geographies reporting this as their priority. New market entry is another key focus, demonstrating the ambition of these scale-ups. The combination of these two factors indicates that many scale-ups may feel they are fully utilising their current customer base. With the cost of new customer acquisition high, it may be sensible for scale-ups to reassess whether their current customer base has more value they can extract before they undertake potentially expensive expansion.

Optimism around growth remains high, with most scale-ups seeking additional funding and a larger workforce in the coming years

Scale-ups are generally confident across all geographies, with those based in Spain and the Middle East recording the highest confidence scores. Spain's high confidence may be linked to its significant funding rebound in 2024 and its robust economic growth, recognised as one of the fastest within the Eurozone. Economists project Spain to remain a 'bright spot' in Europe, anticipating continued outperformance through 2025. A similar positive economic climate likely underpins the confidence observed in the Middle East. The prevalent desire among scale-ups for further funding and their plans for headcount growth underscore their optimism for the future. Policymakers should recognise the significant role of scale-ups as a crucial engine for job creation.

(2) Initial Public Offering

2. Setting the Scene: Respondent Details

434 scale-ups responded to the 2025 Scale-Ups Confidence Survey. 203 were from Belgium, 19 from the Middle East, 59 from The Netherlands, 35 from the UK, 22 from Spain, 63 from Greece and 33 from Switzerland.

Just under 70% of those who responded to the survey were CEOs, founders or co-founders of their company. A range of sectors has been covered by the survey respondents, with the most popular being Enterprise software, Life sciences and health care, and services. Most of the scale-ups primary business focus was B2B and most had a turnover of less than €500K.

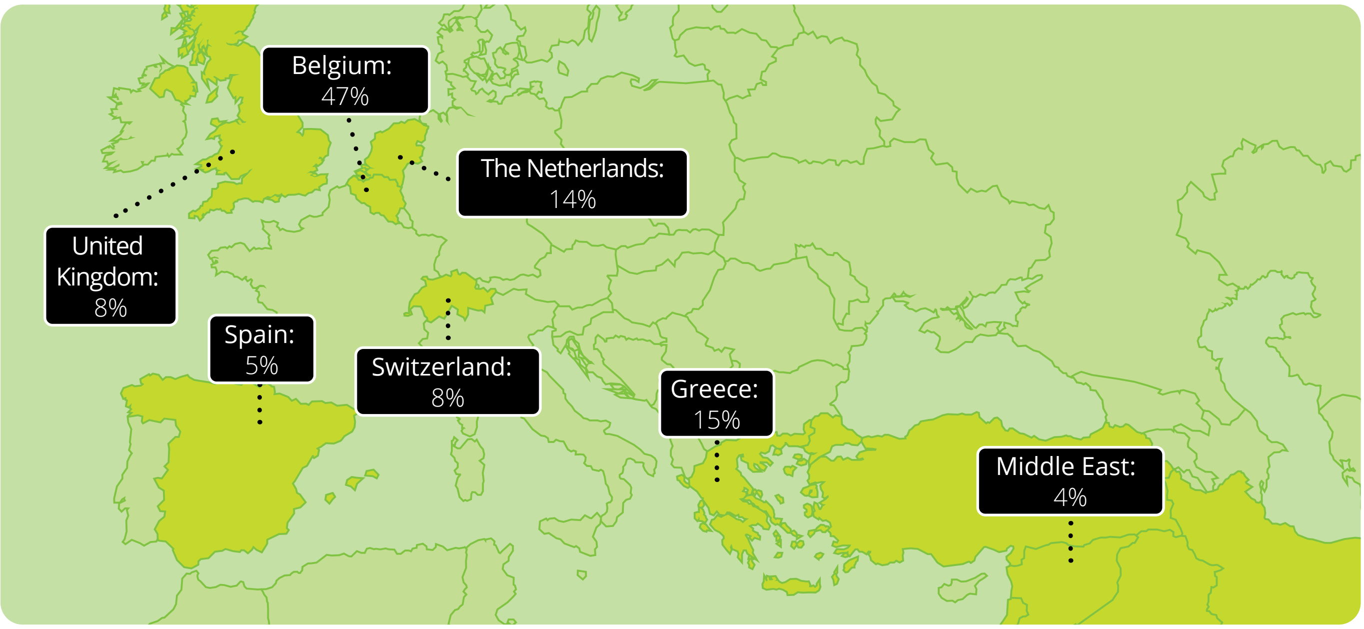
A. Profiles

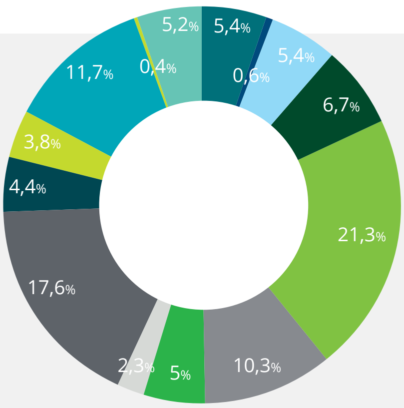
68% CEO & co-founder

15% C-level executive

17% Non-executive role

B. Geographical Split





C. Segments

- Communications & networking
- DefenceTech
- Digital commerce
- Electronic devices, hardware & semiconductor
- Enterprise software[2]
- FinTech
- FoodTech & AgriTech
- LegalTech
- Life sciences & health care[3]
- Media & entertainment
- Mobility
- Services
- SpaceTech
- Sustainability

(2) Automation & Analytics, CRM, Cyber Security, Human Capital Management & EdTech, Supply Chain/ ERP
(3) Bio/Health/Medtech

2. Setting the Scene: Expert Opinions

Deloitte experts

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Saudi UK Tech Hub

Sarah Guemouri
Principal at Atomico
United Kingdom

Roald Borré
Member of the Executive Committee
PMV Belgium

“The top challenges faced by scale-ups in 2024 continued to be lower and delayed new business and customer signings, and cashflow, liquidity and funding issues.”

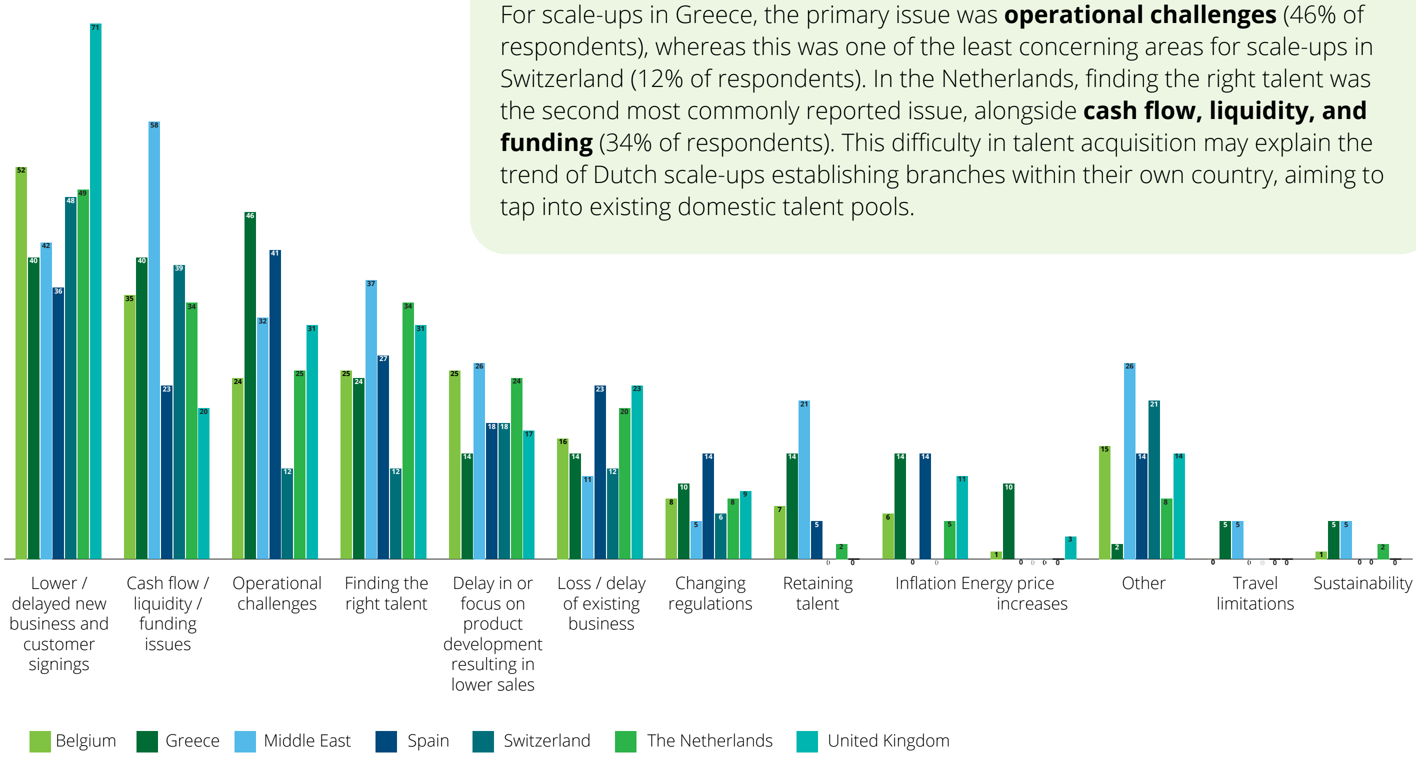
3. Business Growth: Looking Back

Looking back at 2024, what were the biggest challenges to reach your growth ambition?

Across almost all geographies, the most commonly faced challenge by scale-ups in 2024 was **lower/delayed new business and customer signings.** Businesses in the UK particularly struggled with this (71% of respondents).

In the Middle East, the most common challenge in achieving growth ambitions was **cash flow, liquidity, and funding issues** (58% of respondents). This issue was felt less by scale-ups in Spain (only 23% of respondents), but was the second most mentioned issue by Belgian scale-ups (35% of respondents).

For scale-ups in Greece, the primary issue was **operational challenges** (46% of respondents), whereas this was one of the least concerning areas for scale-ups in Switzerland (12% of respondents). In the Netherlands, finding the right talent was the second most commonly reported issue, alongside **cash flow, liquidity, and funding** (34% of respondents). This difficulty in talent acquisition may explain the trend of Dutch scale-ups establishing branches within their own country, aiming to tap into existing domestic talent pools.



Source: Deloitte Confidence Survey, April 2025, N Belgium = 203, N Middle East = 19, N The Netherlands = 59, N United Kingdom = 35, N Spain = 22, N Greece = 63, N Switzerland = 33

In a world with uncertainty, investors tend to be cautious. Factors such as macro-economic and geopolitical issues, new government policies, and negative news about foreign direct investment contribute to this cautiousness. These uncertainties affect new business decisions, especially in sectors like pharma, where companies delay implementing new software or renewing contracts.

Investor: Roald Borré, Member of the Executive Committee of PMV (Belgium)

4. Business Growth: Looking Ahead

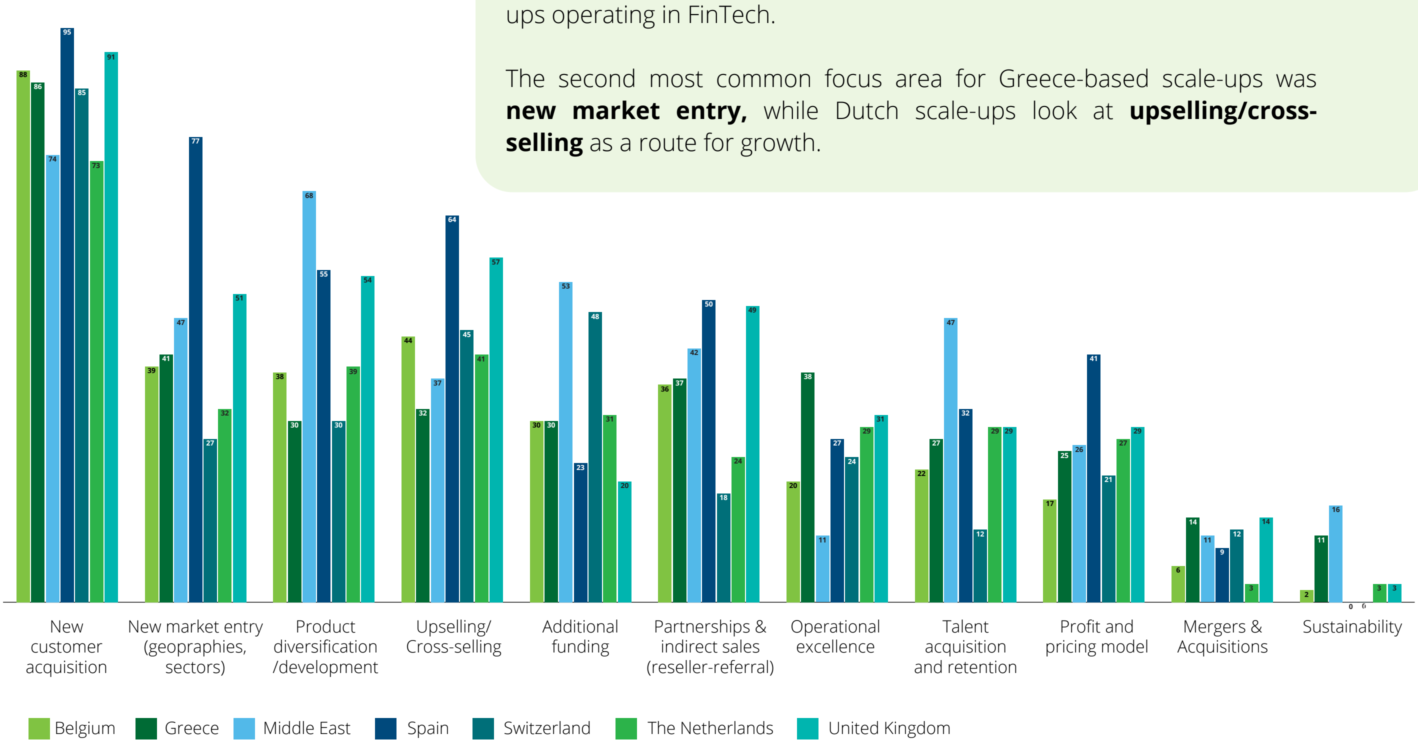
What will be your primary areas of focus in 2025 to realise your growth aspirations?

New customer acquisition is the top growth priority for scale-ups globally in 2025, with an especially strong focus in Spain, where 95% of respondents cited it as their primary objective.

Responses from scale-ups in Spain, Belgium and the UK are aligned, focusing on **new market entry, upselling/cross-selling,** and **partnerships & indirect sales.** Scale-ups in Switzerland are also looking for additional funding (48% of respondents), which may be a result of the large number of Swiss scale-ups operating in the life science & health care sector, a capital-intensive industry.

A key focus area for Middle Eastern scale-ups is **product diversification/ development** (68% of respondents). This was a common response from scale-ups operating in FinTech.

The second most common focus area for Greece-based scale-ups was **new market entry,** while Dutch scale-ups look at **upselling/cross-selling** as a route for growth.



Source: Deloitte Confidence Survey, April 2025, N Belgium = 203, N Middle East = 19, N The Netherlands = 59, N United Kingdom = 35, N Spain = 22, N Greece = 63, N Switzerland = 33

Bridging the gap

Scale-ups are an essential part of a vibrant economy, as they are drivers of innovation and creative disruption. Yet, scaling a business is challenging, particularly amidst geopolitical and economic turbulent times. The current landscape for scale-ups in Europe appears demanding, as highlighted in the 2025 survey results.

At least 73% of scale-ups identified customer acquisition as their primary challenge moving forward. This is a logical focus for any scale-up, however we recognize the challenge that scale-ups face in attracting new customers and expanding into new markets under these circumstances. Especially beyond their domestic boundaries.

We see that enterprise sales cycles are often very long, as well as the cultural differences between scale-ups and corporates. Additionally, large companies and institutions often have strict risk management policies, which do not always align with those of a scale-up. This is challenging, and that is why we at Deloitte also see the need to bridge this gap. Besides Deloitte bridging the gap, the European governments also plays a key role as well. The difference in laws and regulations make it hard to scale within Europe, with lots of differences per country (compared to the US).

On a positive note, the Dutch government is taking an important step. Thanks to strong efforts from Techleap and a group of well-known entrepreneurs, the government wants to now support Dutch scale-ups with more favorable tax rules for employee ownership participation. This is crucial for attracting top talent, and will ultimately help Dutch scale-ups perform better.

Expert: Wassili Bertoen, Emerging Growth Leader (Deloitte Netherlands)

Founder quality is improving

The quality of founders in Spain has improved considerably over the past decade. Compared to the first generation of entrepreneurs seen around 2012, today's founders are more experienced, with a clearer understanding of what it takes to build a company. Many have previously launched ventures, and now place greater emphasis on building strong company cultures, making senior hires early, and establishing relationships with investors from the start. Spain also continues to benefit from strong technical talent, supported by a solid academic base.

Where Spain once had a shortage of experienced go-to-market leaders, the domestic talent pool has expanded. Founders no longer need to rely as heavily on international hires for commercial leadership.

More visibility is needed to unlock the next stage of growth

In Spain, successful entrepreneurs often receive less public support and recognition compared to peers in countries like France or the United States. Publicly championing successful founders and promoting their achievements could help build a stronger entrepreneurial culture and inspire the next wave of entrepreneurs.

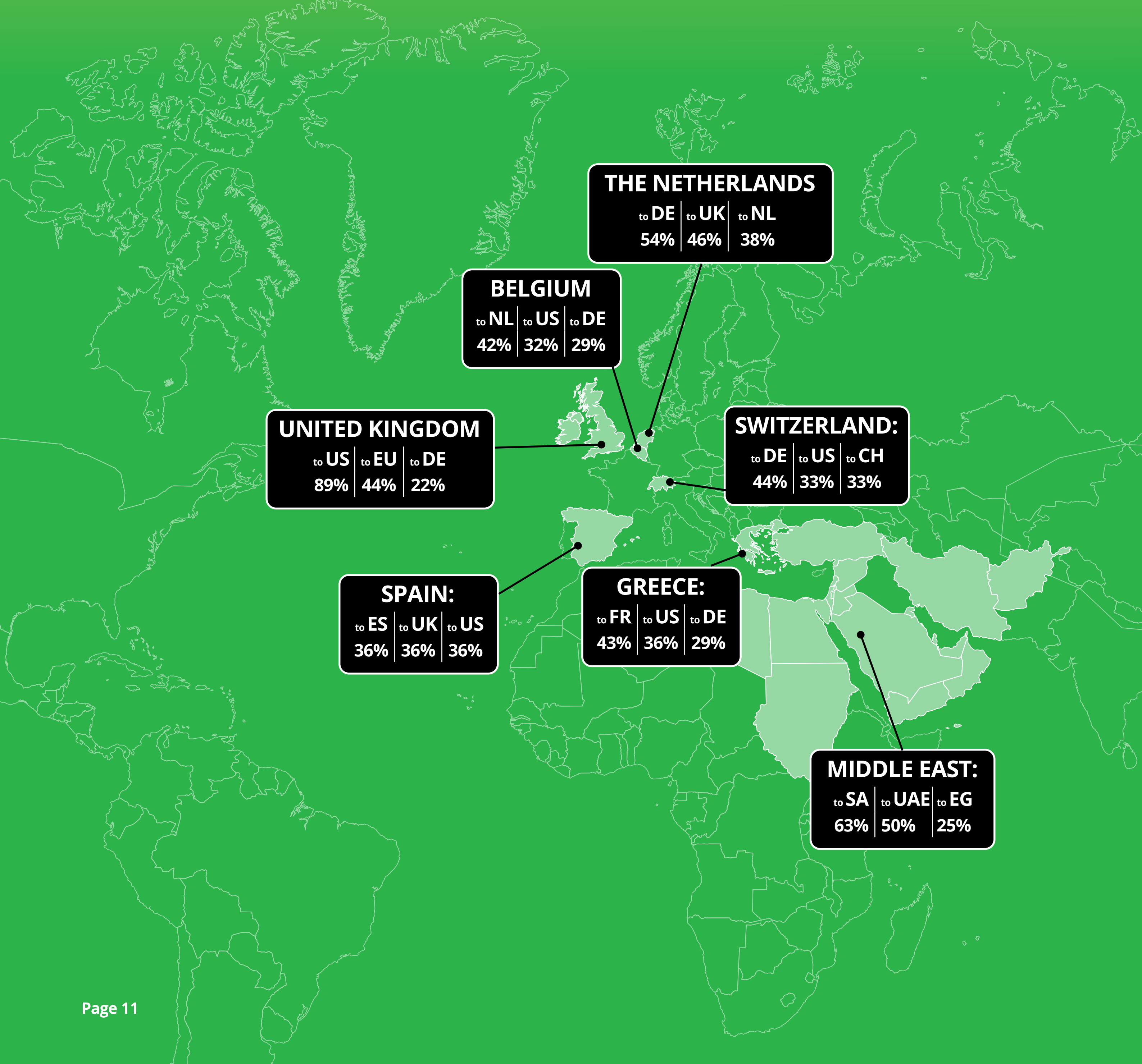
Looking ahead, continued progress will depend on encouraging entrepreneurial ambition, providing greater visibility for founders, and building deeper links between scale-ups, investors, corporates, and public institutions.

Investor: Sonia Fernandez (Kibo Ventures, Spain)

To which countries/geographies are you planning to expand your company?

Scale-ups often prefer to expand within their home country or nearby markets, benefiting from cultural familiarity, existing contacts, and simpler logistics. These factors reduce risk and lower the barriers to international growth, making neighbouring or major economies particularly attractive. Scale-ups in Spain, Switzerland, and the Netherlands all cited their own country among their top three for expansion. Germany and the US were also popular targets—Germany due to its economic size within Europe, and the US for its vast consumer base, openness to innovation, and access to capital.

Source: Deloitte Confidence Survey, April 2025, N Belgium = 57, N Middle East = 8, N The Netherlands = 13, N United Kingdom = 9, N Spain = 11, N Greece = 14, N Switzerland = 9



Switzerland's strategic location and strong international trade relations provide a competitive advantage for scale-ups seeking global expansion. Leveraging that, Swiss scale-ups are increasingly looking beyond national borders to expand their market reach, with scale-ups targeting global markets and establishing partnerships abroad.

Expert: Petar Angelov, Emerging Growth Leader (Deloitte Switzerland)

Germany is a closed market, favouring its local champions. However, German companies are accustomed to doing business with scale-ups and will be willing to buy if your offer is the best on the market.

Investor: Roald Borré, Member of the Executive Committee of PMV (Belgium)

In Belgium, language often influences early internationalisation strategies — with Flemish scale-ups looking to the Netherlands and Walloon ones to France. But we're now starting to see ecosystems across regions connect more actively, which is a very positive evolution. That said, I always advise scale-ups to first focus on fully penetrating the Belgian market. A strong product-market fit at home is the best foundation for scaling abroad — whether north or south.

Investor: An Meers, Manager at EuroQuity Belgium, Wallonie Entreprendre (Belgium)

The US attracts 89% of UK scale-ups seeking international expansion, surpassing even geographically closer European destinations. Access to its vast customer base, deeper capital pools, and the potential for listing on mature capital markets that is used to valuing loss-making businesses with a compelling equity story makes it a natural target for ambitious growth. This aligns with the broader European trend, where the US remains the top expansion destination for scale-up companies originating in Europe. However, while a US listing holds significant appeal for a variety of reasons, the current US market demands a cautious approach. Economic uncertainty, market volatility, and geopolitical risks all contribute to a more complex landscape for businesses considering this path. A robust business model, demonstrable traction, and a clear value proposition will be essential for navigating this challenging yet potentially rewarding market successfully.

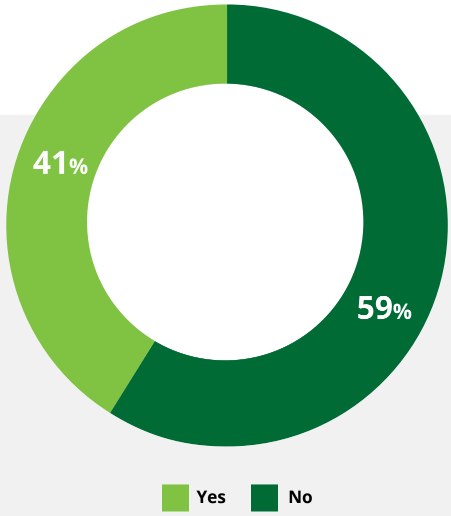
Expert: Fran Yearsley, Partner Global Capital Markets Group (Deloitte UK)

"The majority of scale-ups are looking for additional funding, with most having a preference for funding from new investors. When it comes to exits, 59% of those surveyed don't have an exit plan. For those that do, exiting via an acquisition (78% of respondents) is the more popular choice."

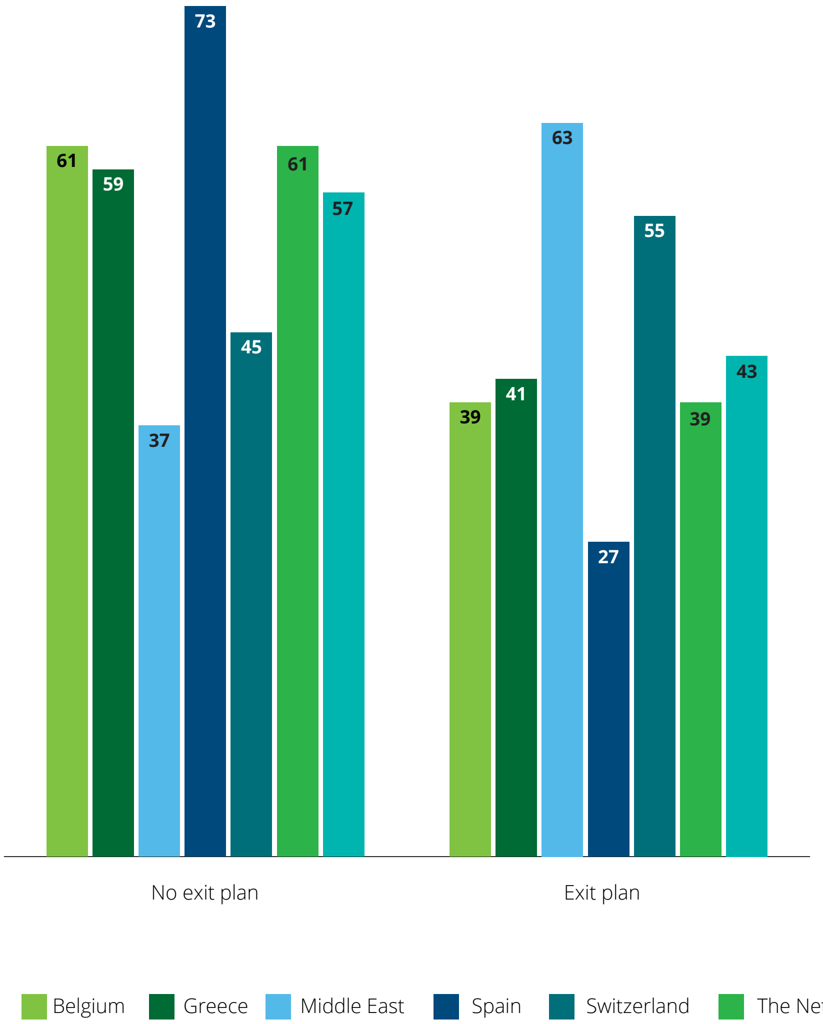
5. Exit planning

Does your company have an exit plan?

The survey responses conclude that 41% of scale-ups have an exit plan. Of those with an exit plan, 78% would consider exiting via a merger or acquisition (M&A) while only 14% would look for an IPO. Spanish scale-ups have the strongest preference towards an IPO, with 33% of respondents aiming to exit in this way. Given that IPOs represent the pinnacle of growth ambition, often exceeding even unicorn status, this preference further underscores the strong optimism prevalent among Spanish entrepreneurs.



The majority of scale-ups in the Middle East and in Switzerland have an exit plan. In the remaining geographies, start-ups with exit plans are a minority. Only 27% of Spanish scale-ups have an exit strategy in place, the lowest of any country. While many of the surveyed Spanish scale-ups lack a defined exit strategy, those that do are pursuing ambitious plans. Given the optimism shown by these entrepreneurs, scale-ups without an exit plan would do well to follow their lead and start preparing one.



Source: Deloitte Confidence Survey, April 2025, N Belgium = 202, N Middle East = 19, N The Netherlands = 59, N United Kingdom = 34, N Spain = 22, N Greece = 62, N Switzerland = 33

Why European founders must start with the end in mind

Unfortunately, exit planning is not a priority to many European founders, especially in the early stages. And when they do have a clearly defined exit strategy, the destination is typically an acquisition – not an IPO.

In Europe's rapidly maturing tech landscape, we talk a lot about growth—less about exit. Yet, the real value lies in building your business with this intention, to enhance focus and value. Too often, founders delay serious exit thinking until it's too late: a buyer shows interest, a fund demands liquidity, or performance starts to dip. But an exit strategy—be it acquisition, IPO, or alternative—should be part of the scale-up playbook from day one.

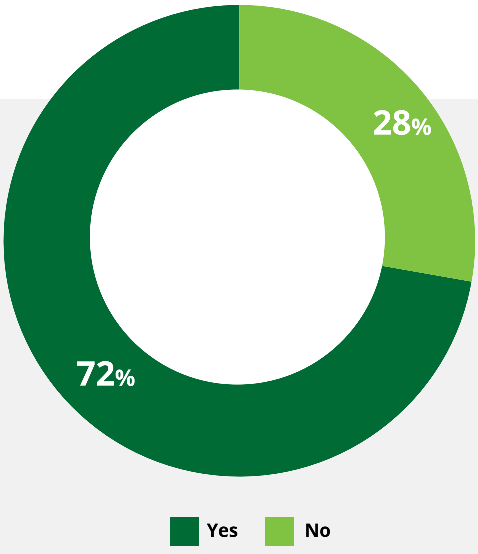
In the U.S., an exit mindset is ingrained. In Europe, it's still emerging. Many European founders are product-led visionaries, not exit-oriented strategists. Planning for exit doesn't mean you have to exit. For acquisition, preparation means knowing who the likely buyers are, understanding your strategic value, and keeping operations clean and due-diligence ready. For IPOs, it's about financial discipline, regulatory readiness, and building public-market credibility over time—not overnight.

Europe's public markets are often perceived as less accessible and liquid than their U.S. counterparts. Nasdaq has long been the gold standard for tech IPOs, offering greater visibility, deeper pools of capital, and investor familiarity with high-growth models. As a result, many European founders choose acquisition for speed, derisking, or simply because it enables them to move on to their next venture. Large corporates, particularly in sectors like health tech, fintech, and mobility, are actively scouting scale-ups as external innovation engines. This creates strong demand, sometimes even before the scale-up reaches maturity.

In a market where uncertainty is the only constant, readiness is the new resilience. So let's make exit planning the rule, not the exception. And if we truly want Europe to lead – not just incubate - tech innovation, we need to start prioritising IPO today.

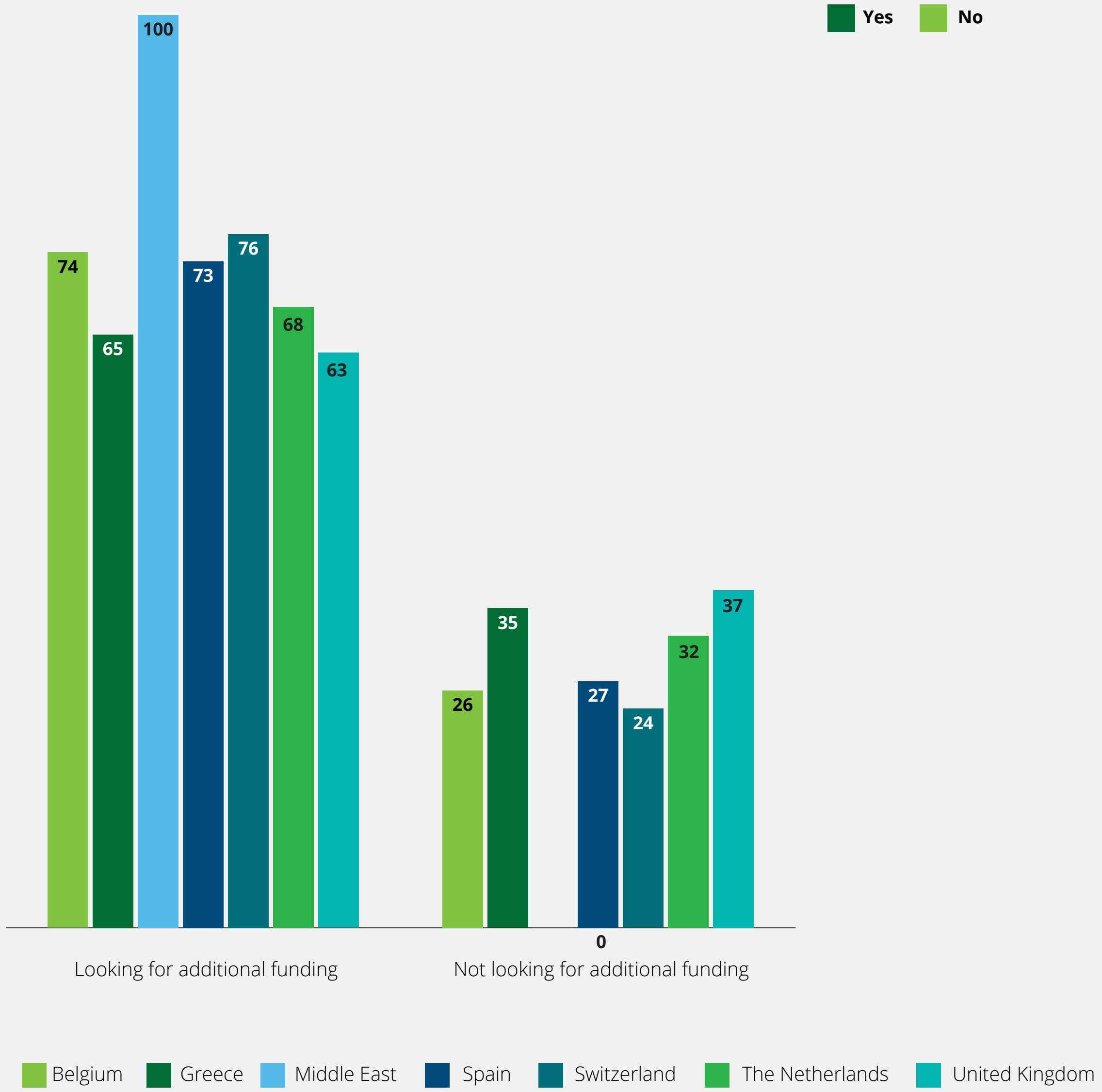
Anaïs De Boulle, Legal partner & Emerging Growth Leader (Deloitte Belgium)

6. Funding & Liquidity Management



Does your company look for any additional funding?

Just over 70% of the scale-ups surveyed are looking for additional funding. Of those Middle Eastern scale-ups surveyed, 100% were actively seeking investment. UK-based start-ups were the least likely to be seeking funding, with 37% of respondents not looking for additional funding.



Source: Deloitte Confidence Survey, April 2025, N Belgium = 202, N Middle East = 19, N The Netherlands = 59, N United Kingdom = 34, N Spain = 22, N Greece = 62, N Switzerland = 33

Optimism around growth remains high, with most scale-ups seeking additional funding and a larger workforce in the coming years

For yet another consecutive year, Deloitte's Scale-Ups Confidence Survey reaffirms the importance of cultivating a robust innovation ecosystem across Europe.

Optimism among scale-ups remains high, with many actively seeking additional funding and planning to expand their workforce in the coming years. This positive outlook reflects a strong belief in innovation-driven business models and highlights the confidence of Scale-Up leaders in their ability to compete and grow in international markets.

What we're seeing is a consistent pattern: scale-ups across Europe have the talent, ambition, and international mindset needed for long-term success. The collaboration between entrepreneurs, investors, and institutions continues to unlock significant opportunities for growth and investment.

Deloitte remains committed to supporting high-potential businesses and promoting an environment that empowers the broader innovation community.

Expert: Konstantions Vaitsas, Emerging Growth Leader (Deloitte Greece)

Scale-ups have gained experience with different financing instruments and are increasingly opting for a balanced mix — combining VC, strategic investors, public funding, and convertible loans — to maintain flexibility and control. Scale-ups, in contrast, often face more immediate cash pressures and may not yet have the same perspective on long-term capital strategy.

In the current economic climate, investors are challenging assumptions around product-market fit and customer stickiness. At the same time, many scale-ups—especially in capital-intensive sectors like mobility, cleantech, and healthtech—are facing tighter internal resources.

This often leads them to prioritize product development more pragmatically, focusing on features that can support near-term revenue or fundraising goals. While this shift doesn't always follow a fully structured roadmap yet, it reflects a more conscious effort to align technical progress with business traction.

Investor: An Meers, Manager at EuroQuity Belgium, Wallonie Entreprendre (Belgium)

Strong domestic foundations, but global expansion must start earlier
Switzerland's scale-up ecosystem remains active, with healthy deal flow and a founder-friendly environment. Local companies benefit from strong corporate engagement, sophisticated investors, and a supportive regulatory framework, helping many ventures achieve significant domestic success. Swiss founders are strongly oriented toward domestic growth opportunities first, a contrast to other European markets that often prioritise rapid international expansion. This domestic focus has created a strong starting point for many scale-ups.

However, the strength of the local market can sometimes limit the urgency to expand internationally. As global competition intensifies and new markets become more contested, it will be critical for Swiss scale-ups to embed internationalisation strategies much earlier. Local market success must become a launchpad—not a ceiling—for global ambition.

The bar for quality and operational readiness has clearly risen. Scale-ups are expected to be more mature, structured, and internationally oriented if they want to capture opportunities in a market that is moving faster than ever before.

AI acceleration will define the winners
AI adoption continues to reshape Switzerland's scale-up landscape, influencing industries far beyond traditional tech sectors, notably life sciences, finance, and manufacturing. The ecosystem is witnessing a convergence of AI, fintech, and sustainability themes, with software and life sciences emerging as dominant sectors for growth. A major shift underway is the rise of agentic AI—autonomous systems capable of independently completing complex tasks—which is fundamentally changing how software is built and deployed.

With agentic AI, building software becomes dramatically faster and cheaper, lowering technical barriers and shifting competitive advantage toward those who can achieve rapid market entry and strong customer traction. In this new environment, effective go-to-market execution becomes the critical success factor. The ability to move quickly, secure early adoption, and establish customer relationships will increasingly differentiate leaders from the rest.

At the same time, these advances bring new challenges. Accessing global markets and navigating complex regulatory environments will require greater sophistication, particularly from smaller scale-ups. Those ventures that combine technological excellence with strong operational and scaling capabilities will be best positioned to lead. The speed and agility to commercialise innovation, rather than just create it, will define the next generation of Swiss scale-up success stories.

Investor: Andrea Fritschi (Tenity, Switzerland)

Switzerland has long been recognised for its innovation and robust economic landscape. Despite the decrease in investment flows for a second year in a row, compared to levels last seen in 2019, the latest trends still demonstrate that the Swiss scale-up ecosystem is a dynamic and evolving environment that shows high levels of resilience and fosters groundbreaking ventures. Much of that resilience is based on a collaborative environment, with numerous incubators, accelerators, industry associations, and co-working spaces fostering innovation and highlighting the importance of support networks that provide mentorship, resources, and funding opportunities. Switzerland's regulatory environment could do even more to support scale-up growth, by implementing measures that reduce bureaucratic hurdles and provide financial incentives and tax breaks for scale-ups.

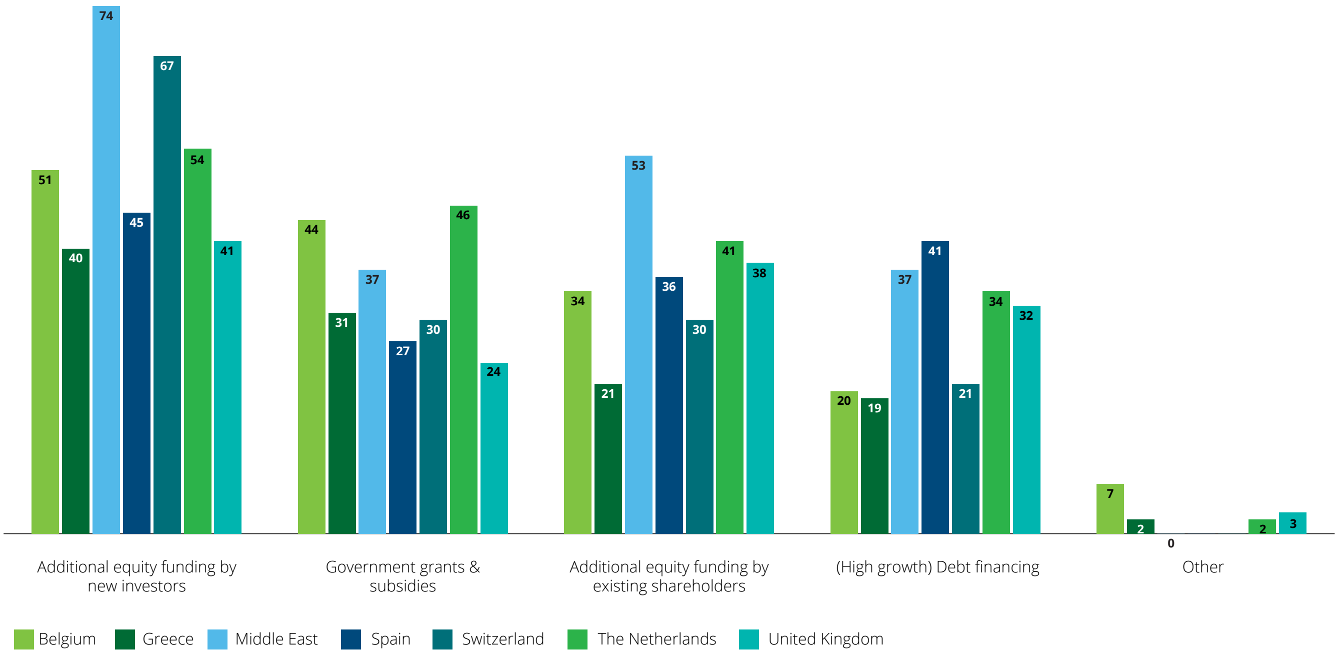
Switzerland's reputation as a global leader in healthcare and biotechnology is further solidified by the burgeoning healthtech and biotech sectors, which attracted the largest portion of funding in 2024. Significant investments flowed into digital health platforms, personalised medicine, and biotech research, positioning Switzerland as a hub for medical innovation. Swiss DeepTech scale-ups are also at the heart of technological advancements and attract significant interest from investors. Swiss scale-ups are harnessing AI and machine learning to develop applications across various industries, including healthcare, finance, and logistics. The growing investment in Swiss AI-driven solutions reflects the potential for transformative impacts on business processes and consumer experiences globally.

Despite the macroeconomic headwinds and geopolitical instability, the strong fundamentals of the Swiss scale-up ecosystem give solid grounds for cautious optimism among founders and investors about the potential for a brighter future.

Expert: Petar Angelov, Emerging Growth Leader (Deloitte Switzerland)

What types of funding do you consider to fuel your growth trajectory?

When looking for funding to fuel growth, most scale-ups prefer **additional equity funding from new investors,** with the highest respondents in the Middle East (74% of respondents). **Government grants and subsidies** are common sources of growth funding among scale-ups in Belgium (44% of respondents) and the Netherlands (46% of respondents). Both Belgium and the Netherlands have well-established regional grant funding regimes, which may drive scale-ups towards government sources. R&D funding is also relatively generous and accessible in these nations, compared to other European nations, which makes it an attractive source of funding. **(High growth) Debt financing** is most popular among scale-ups in Spain (41% of respondents).



Changes in funding patterns require companies to prepare earlier

Investor behaviour has shifted. Some funds that previously invested at later stages are now moving earlier, making the early-stage environment more competitive. There is also growing activity from angel investors, particularly from founders who have exited their own companies, which is a great sign the ecosystem is evolving. As a result, early-stage companies have more opportunities for capital, particularly for teams with proven track records or clear AI capabilities.

Valuations for early-stage companies remain relatively high, compared to the valuation drop in later-stage companies, especially for AI-first businesses and repeat founders. The gap between these companies and other scale-ups has widened. Scale-ups that are able to show product development, adoption of new technologies, and early market traction are better placed to raise funding, while unproven teams, or tech companies without a clear AI strategy, face a more cautious environment.

Policy changes could support longer-term outcomes

The Netherlands has built a strong base for scale-ups, but there are clear areas where the environment could improve. Employee participation rates in scale-ups remain much lower than in countries like the US. Although reforms are planned, changes to help employees share in company growth have been slow to materialise. Access to later-stage capital remains limited. With fewer Dutch funds active at this level, companies often need to attract international investors, where competition to raise from these investors is greater. There is an opportunity for Dutch institutions to play a larger role in providing capital to the venture ecosystem. This would increase the changes for the Netherlands to stay more competitive and at the forefront in areas such as AI and deeptech.

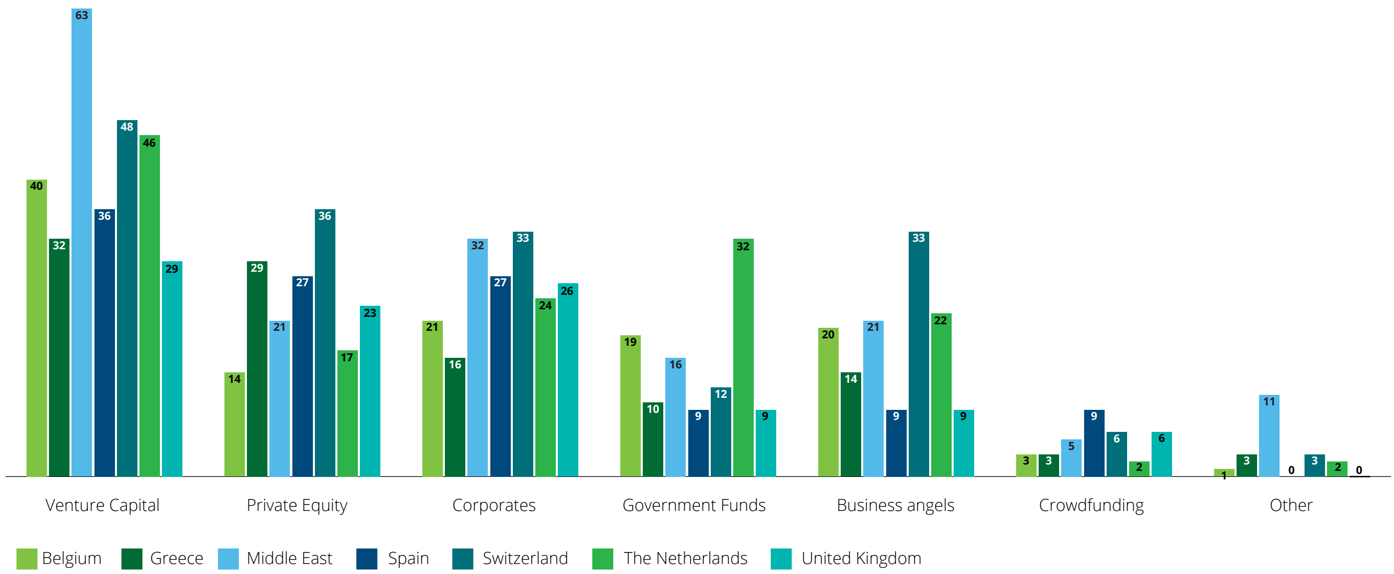
Bringing together founders and providing access to knowledge early in the journey is helping more first-time entrepreneurs find support. However, funding gaps continue to limit how far companies can progress domestically before needing to look abroad.

Investor: Thijs Dijkman (Peak Capital, Netherlands)

Source: Deloitte Confidence Survey, April 2025, N Belgium = 202, N Middle East = 19, N The Netherlands = 59, N United Kingdom = 34, N Spain = 22, N Greece = 62, N Switzerland = 33

Which types of new investors are you considering?

Among those surveyed, **venture capital** is the most commonly considered investor. **Government funds** are highly sought after in the Netherlands (32% of respondents) and in Belgium (19% of respondents) compared to the other nations surveyed. This aligns with previous responses from scale-ups from these nations around the type of funding they are seeking for growth. Scale-ups in the Middle East (63% of respondents), Switzerland (48% of respondents) and the Netherlands (46% of respondents), have a higher preference for investment from **venture capital**. **Business angels** are a popular source of investment for scale-ups in Switzerland (33% of respondents) and the Netherlands (22% of respondents). **Crowdfunding** is popular in Spain (9% of respondents) and the UK (6% of respondents). Crowdfunding is a typical instrument for consumer-oriented tech companies.



Source: Deloitte Confidence Survey, April 2025, N Belgium = 203, N Middle East = 19, N The Netherlands = 59, N United Kingdom = 35, N Spain = 22, N Greece = 63, N Switzerland = 33

Over the past two years, Spain has consolidated its position as one of Europe's most promising scale-up ecosystems. Despite a complex global environment, investment levels have remained solid. After the exceptional peak of 2021, 2022 and 2023 brought a correction aligned with global trends. However, the most promising signal has been the shift from volume to value: fewer but larger and more strategic rounds, focused on companies with real traction, scalable models, and international ambition.

What clearly stands out is the quality of the scale-ups emerging in Spain. Founders are more experienced, teams are more diverse and global, and business models are more robust. Spanish scale-ups are no longer early-stage hopefuls—they are becoming global leaders across fintech, healthtech, energy, mobility, and beyond.

A defining factor in this evolution is the rapid adoption of artificial intelligence. AI has moved from hype to real impact, driving innovation across all sectors. Spanish scale-ups are not only integrating AI into their products but using it to reshape operations, enhance decision-making, and open new revenue streams. It is a catalyst accelerating growth and competitiveness.

Spain is also gaining greater visibility among international VCs. Global funds are no longer just investing—they are building relationships, forming local partnerships, and seeing Spain as a strategic hub for Southern Europe and Latin America.

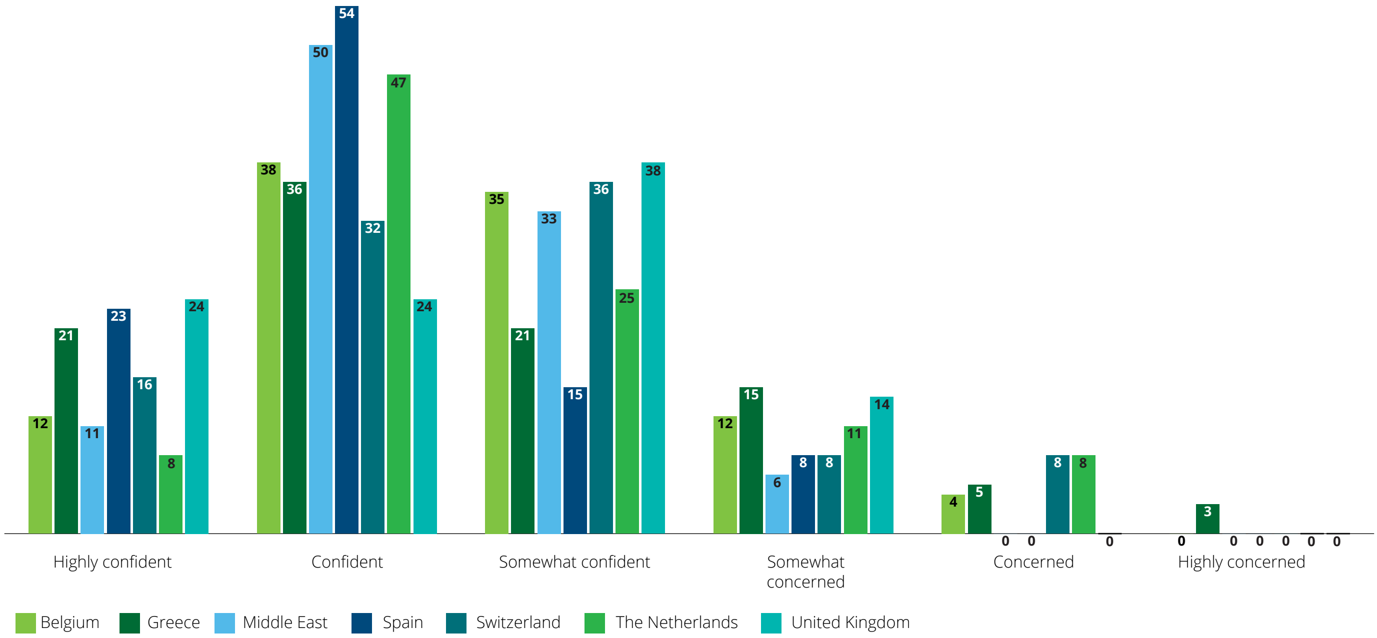
In short, Spain's scale-up ecosystem is entering a new phase—more mature, more innovative, and increasingly global.

Expert: Mario Teijeiro, M&A Tech & Emerging Growth Leader (Deloitte Spain)

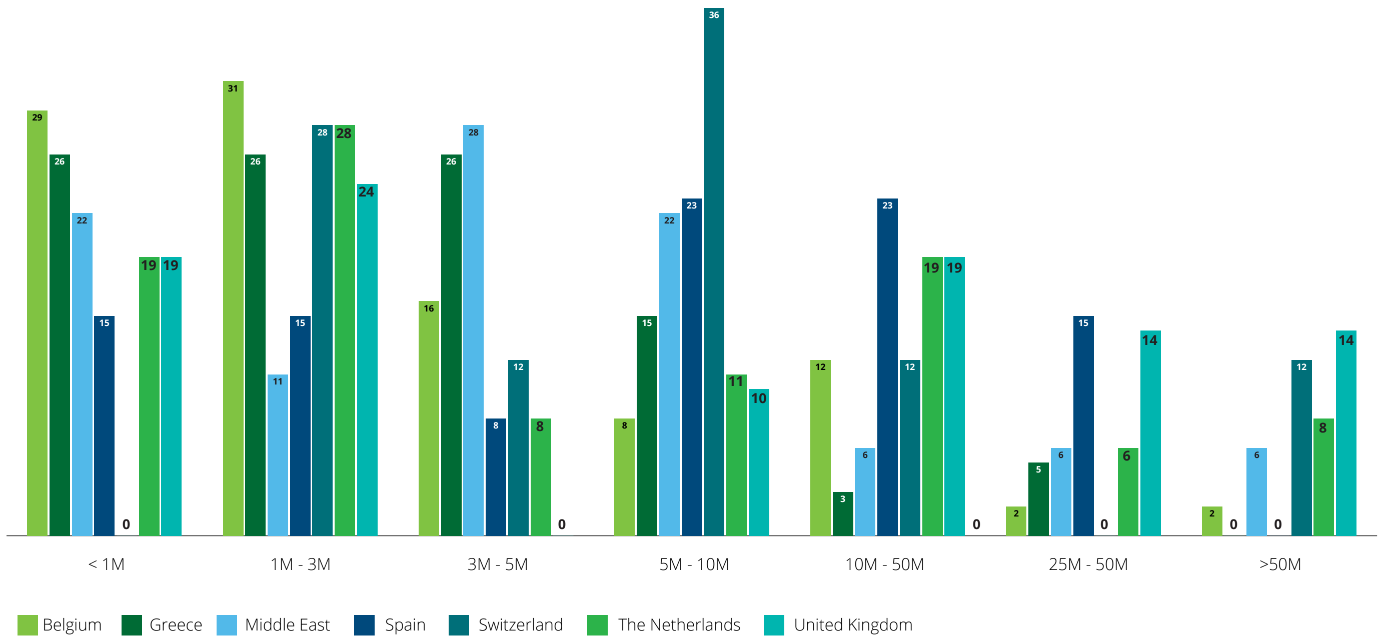
How confident are you that you will obtain the required funding?

Most scale-ups are **overall confident** that they can obtain the required funding. Scale-ups in Spain are most confident in their ability to obtain the required funding, with 77% of scale-ups **confident** or **highly confident** in obtaining funding. Those scale-ups in the UK are less confident, with 52% of respondents **somewhat confident** or **somewhat concerned.** Only scale-ups in Greece indicate they are **highly concerned** about obtaining funding (3% of respondents).

When looking for investment, scale-ups in Switzerland tend to seek larger amounts, with 36% of respondents looking for investments of between **€5m-€10m** and 12% looking for **more than €50m.** Scale-ups based in Belgium, however, tend to seek smaller amounts, with 31% seeking **€1m-€3m** and 29% seeking **less than €1m.** This may speak to the sources of funding that scale-ups in these countries are seeking. In Switzerland, for example, there is a strong preference for **private equity** and **corporate funding**, with these sources providing relatively large investments. In Belgium, on the other hand, the preference for **government funds** over **private equity** may mean that these start-ups have to temper their expectations regarding investment amounts.



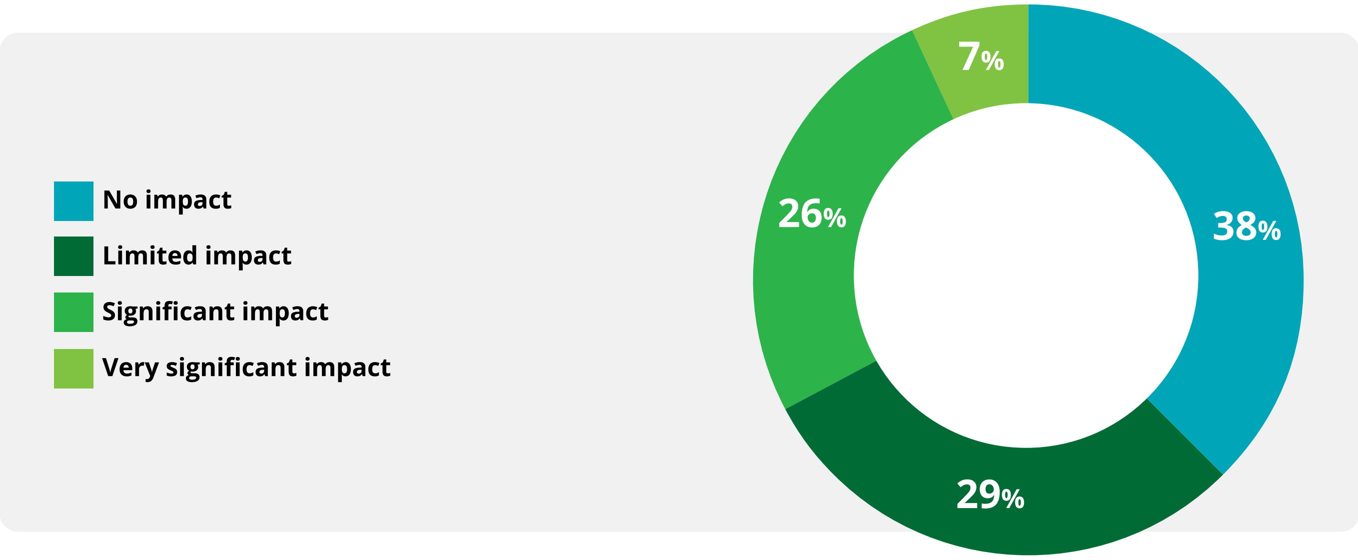
What order of funding are you looking for?

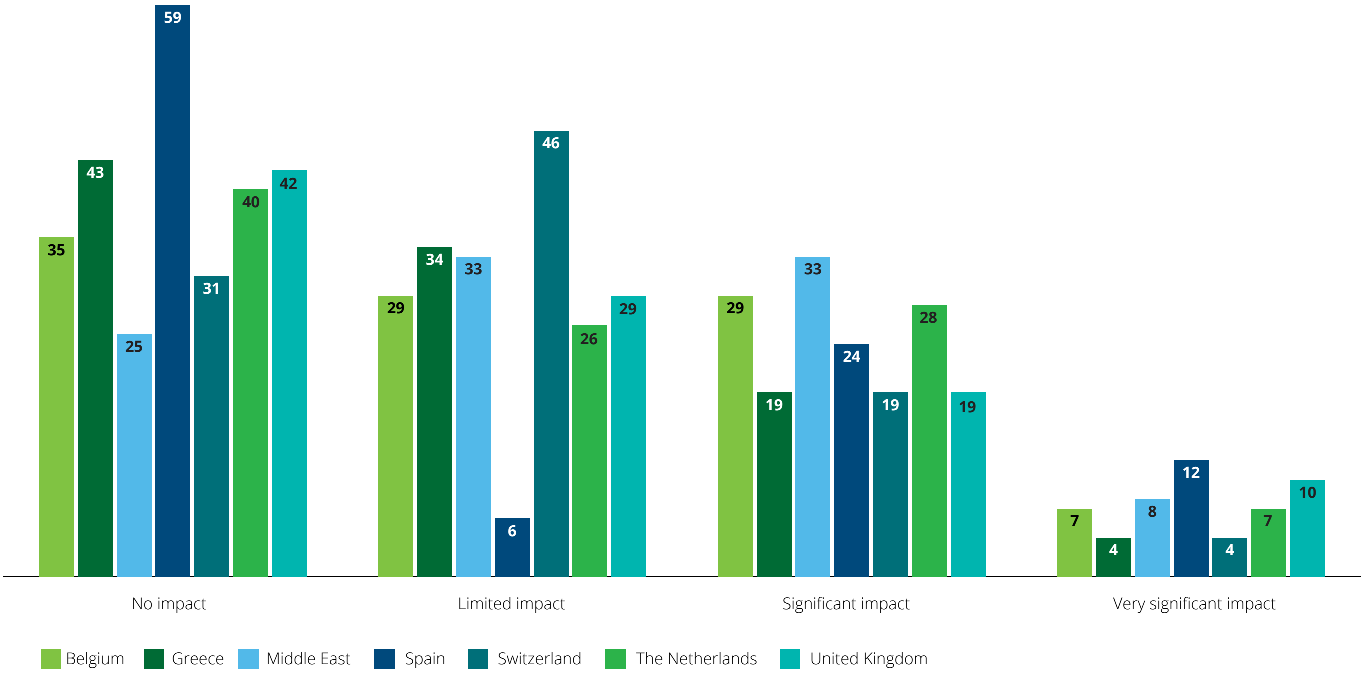


Source: Deloitte Confidence Survey, April 2025, N Belgium = 137, N Middle East = 18, N The Netherlands = 36, N United Kingdom = 21, N Spain = 13, N Greece = 39, N Switzerland = 25

How was the valuation of your company impacted by the current economic situation?

Most scale-ups surveyed indicated that the current economic situation had either **no impact** (38% of respondents) or **limited impact** (29% of respondents). The impact of the current economic situation on Spanish scale-ups has been varied. While 59% reported **no impact,** at the same time, 12% reported a **very significant impact,** the highest rate of any nation. Encouragingly, the lowest reported level of impact overall was a **very significant impact,** with only 7% of respondents reporting this. The Middle East emerges as the region where there has been the most impact.





Source: Deloitte Confidence Survey, April 2025, N Belgium = 156, N Middle East = 12, N The Netherlands = 43, N United Kingdom = 31, N Spain = 17, N Greece = 47, N Switzerland = 26

AI continues to dominate early-stage funding
Artificial intelligence native companies remain the focal point of European venture activity. While funding continues to concentrate on infrastructure, foundational models, and interface layers, there is rising activity in applied AI and in particular Vertical AI.

The building blocks for the AI stack are enabling co-pilots to evolve to full blown orchestration platforms and deliver enterprise-grade utility. AI is also acting as a strong tailwind for other sectors, including energy, cybersecurity, and logistics, accelerated in part by current geopolitical shifts, which are sharpening investor focus on these sectors.

Round dynamics
AI isn't just transforming products — it's fundamentally reshaping how companies are built and scaled. Deeply experienced founders are scaling revenues with leaner teams than ever before; steeper traction curve as widespread adoption of AI is compressing sales cycles.

Across Seed, Series A, and Series B, we've seen round sizes increase over time — even though they continue to be lower than in the US. Valuations follow a similar trend. At the same time there is a meaningful number of outsized rounds for outlier opportunities at every entry point driven by a combination of founder profiles, category pull or traction. Ambitious founders in high-growth sectors like AI and deep tech are drawing international investor interest, particularly from the US. As a result, European VCs face increasing pressure to match global capital expectations.

Europe's future is looking bright
Despite a dip in founder sentiment last year—only 34% of founders felt more optimistic in 2024 vs. 55% in 2015—there are clear signs of renewed optimism. We see strong momentum building across Europe.

Key pan-European initiatives like pension fund reforms, 28th regime/EU Inc, or Project Europe are helping to remove structural barriers that have long hindered scale-up growth and are shifting the narrative. Fundraising activity is picking up and recovering from the lows of 2023. There is a growing conviction—across investors, LPs and founders—that the opportunity for European tech has never been more obvious.

If liquidity routes continue to open and macroeconomic conditions hold, many in the sector expect a turning point in the second half of 2025 or early 2026.

Investor: Sarah Guemouri (Atomico, United Kingdom)

State of the UK Ecosystem
The UK scale-up landscape presents a picture of both resilience and caution. While we see a fundamental optimism, reflected in a 7.7 confidence score, it's important to acknowledge the headwinds UK businesses face. 71% of UK scale-ups struggled with securing new business in 2024 – a significantly higher proportion than other regions. This points to a heightened sensitivity to market uncertainty, understandably impacting expansion plans and funding strategies.

Interestingly, we see a lower appetite for additional funding amongst UK scale-ups, with over a third not actively seeking investment. This theme is reinforced by declining VC investment in the UK. We have seen a drop in both deal volume and total value compared to the last quarter of 2024. It also indicates a preference for bootstrapping or exploring alternative funding avenues, which will make for an interesting exit landscape over time. For scale-ups seeking investment, our lower confidence levels warrant attention. We must foster a more supportive environment to boost investment and unlock the full potential of the UK tech ecosystem, especially given the current geo-political landscape. Ultimately, this inherent resilience, combined with a laser focus on operational efficiency and a willingness to chart their own course, positions the UK's scale-up sector for a dynamic resurgence in the years to come.

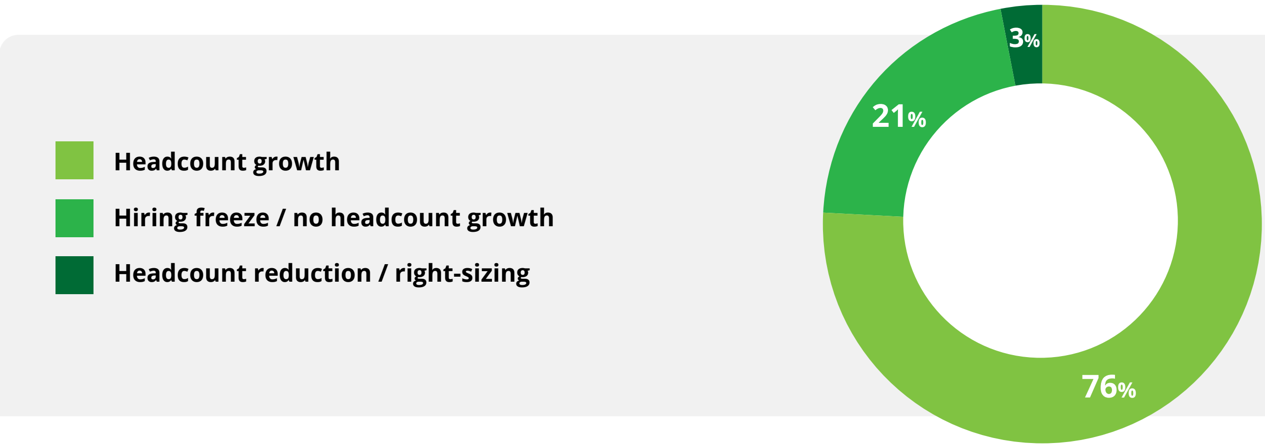
Expert: Julian Rae, Emerging Growth Leader (Deloitte UK)

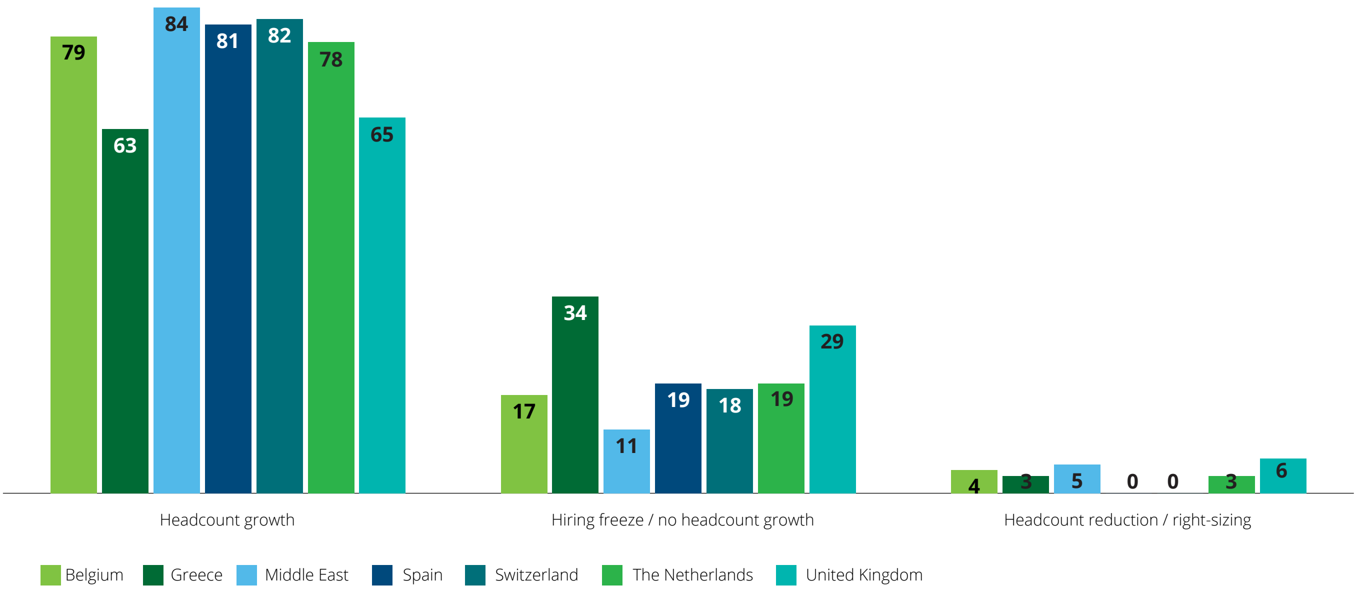
"Most scale-ups (76%) are looking to increase the headcount of their company, particularly in the Middle East, Spain, and Switzerland."

7. Talent & Organisation

How do you see the evolution of your workforce?

Just over three-quarters (76% of respondents) of scale-ups surveyed expect the **headcount of their company to increase,** with this sentiment observed across all countries. Scale-ups based in the Middle East (84% of respondents), Switzerland (82% of respondents) and Spain (81% of respondents) most commonly indicated that their company's headcount would grow. Those in Greece and the UK were least likely to increase their employee count, with 34% of Greek scale-ups and 29% of UK scale-ups opting to **freeze hiring.**





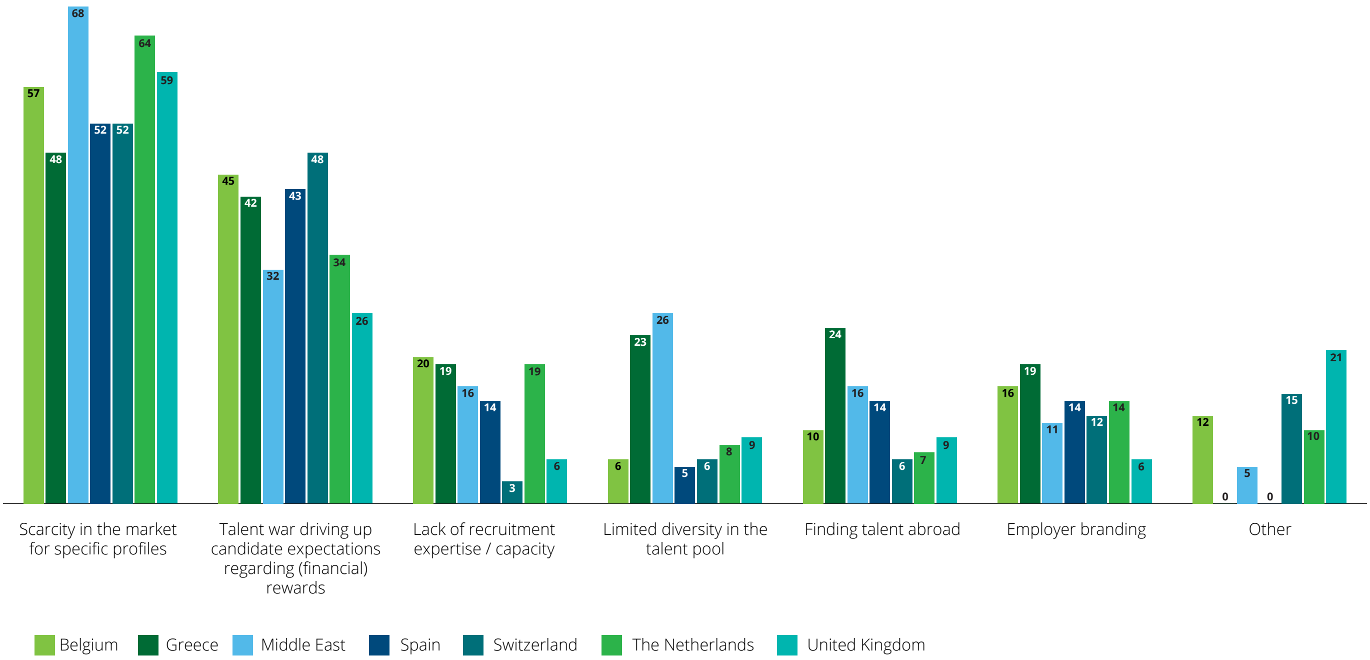
This year, finding the right talent is less challenging and can be attributed to two factors. First, we see fewer scale-ups in the market, making it easier to find talent. Second, there is less available funding, leading to a slower hiring pace. This forces scale-ups to continue in bootstrap mode.

Investor: Roald Borré, Member of the Executive Committee of PMV (Belgium)

Source: Deloitte Confidence Survey, April 2025, N Belgium = 194, N Middle East = 19, N The Netherlands = 59, N United Kingdom = 34, N Spain = 21, N Greece = 62, N Switzerland = 33

What do you see as the main hurdles in attracting and retaining talent?

The most commonly cited hurdle in attracting talent across all geographies was **the scarcity of talent in the market for specific profiles.** Across all geographies, the **talent war driving up candidate expectations regarding (financial) rewards** was the second most common issue faced. For scale-ups in the Middle East and Greece, **limited diversity in the talent pool** was another major issue, with 26% and 23% of respondents citing this as an issue, respectively. Greek scale-ups reported the highest likelihood of freezing hiring (34% of respondents). In comparison to other nations, scale-ups primarily reported struggling with **finding talent abroad** (24% of respondents), **employer branding** (19% of respondents), and **a lack of recruitment expertise/capacity** (19% of respondents).

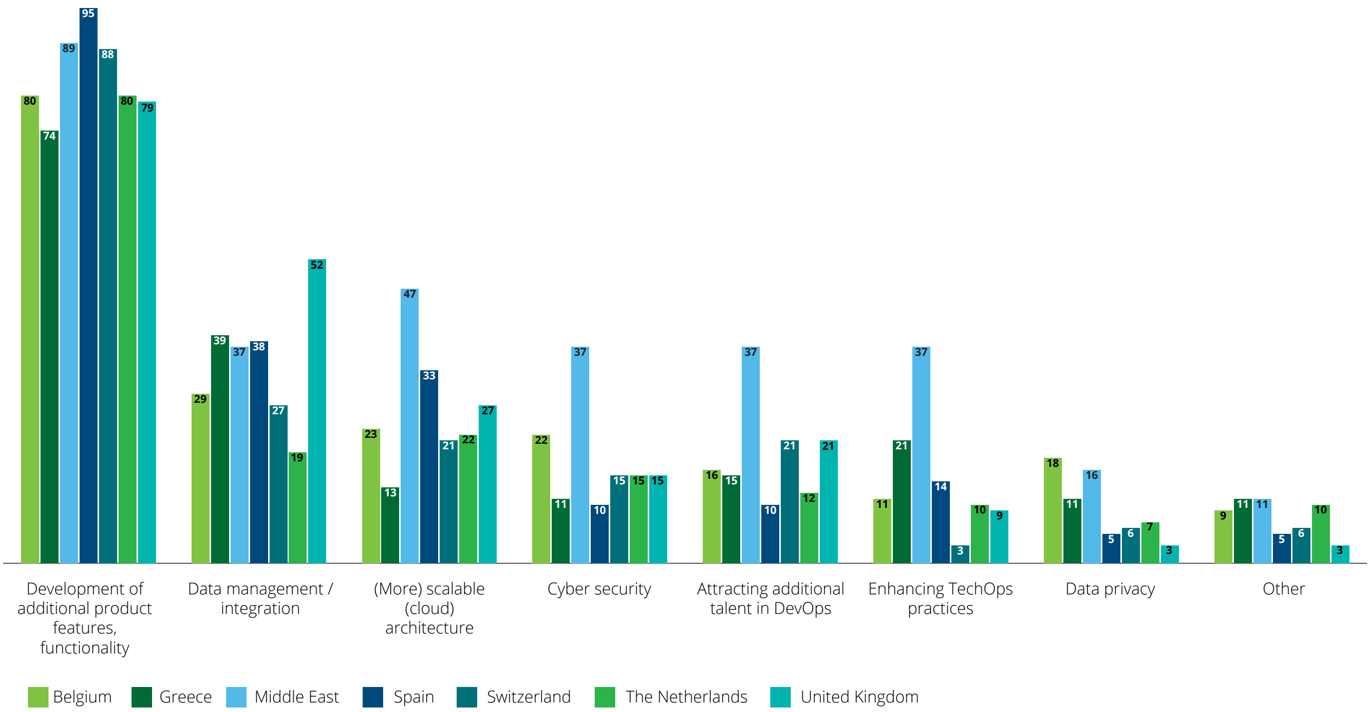


Source: Deloitte Confidence Survey, April 2025, N Belgium = 194, N Middle East = 19, N The Netherlands = 59, N United Kingdom = 34, N Spain = 21, N Greece = 62, N Switzerland = 33

8. Technology Scalability & Security

What are the technology investment priorities for your company?

Across all countries, scale-ups are prioritising the **development of additional product features and functionality.** For scale-ups based in the UK, **data management/integration** is also a key focus area, with 52% of respondents citing it as such. With such a large proportion of this year's survey cohort being in the enterprise software segment, it is not surprising to see these priorities emerge.

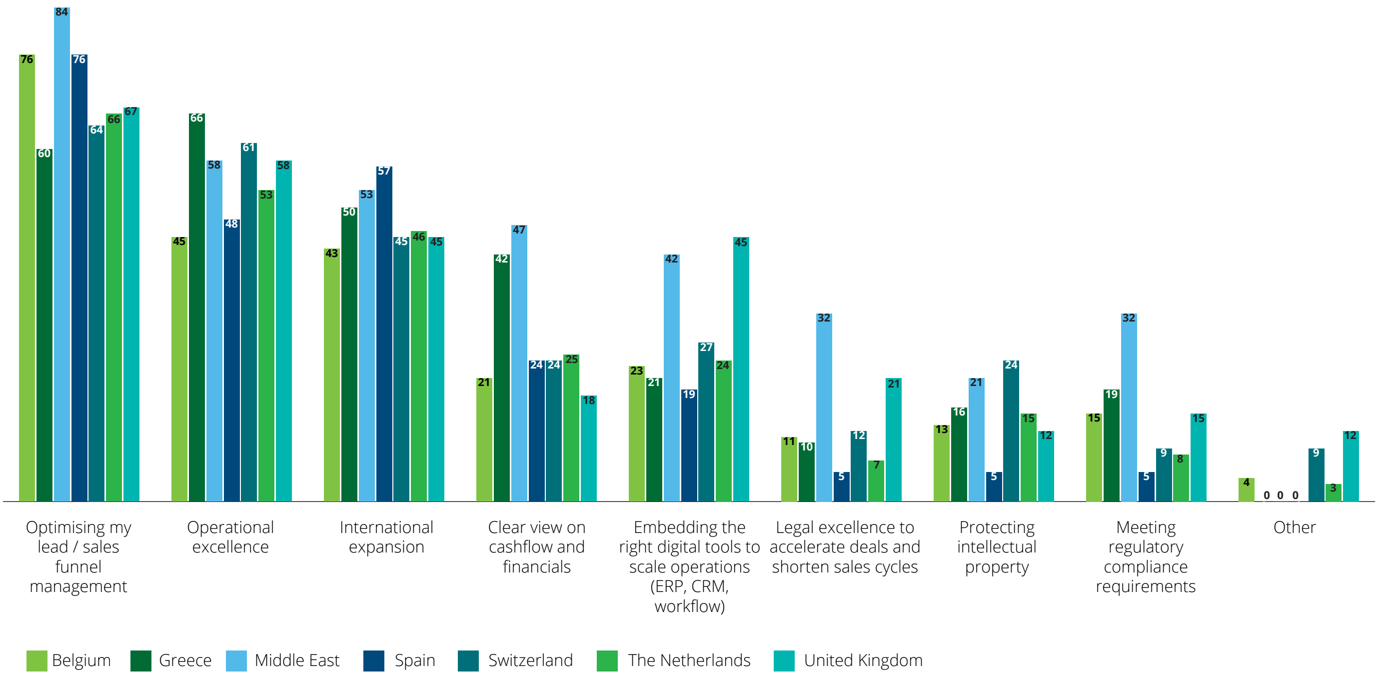


Source: Deloitte Confidence Survey, April 2025, N Belgium = 194, N Middle East = 19, N The Netherlands = 59, N United Kingdom = 34, N Spain = 21, N Greece = 62, N Switzerland = 33

9. Digital Operations

For which of the below items do you see most improvement potential within your company?

The three main areas in which scale-ups see potential for improvement are **optimising my lead/sales funnel management, operational excellence, and international expansion.** In Greece, 42% of respondents want to improve on having a **clear view on cashflow and financials.** Scale-ups in the UK have also cited **embedding the right digital tools to scale operations (ERP, CRM, workflow)** as an important area for improvement, with 45% of scale-ups reporting this. **International expansion** is a particular focus for Spanish scale-ups, with 57% of respondents seeking to enhance their business's growth abroad. **Protecting intellectual property** is a priority in Switzerland, likely due to the large number of respondents operating in the life sciences & health care segment. IP is important in the life sciences segment because it grants scale-ups exclusive rights to their discoveries, making them more valuable, and mitigates the risk of another company copying their product or process.

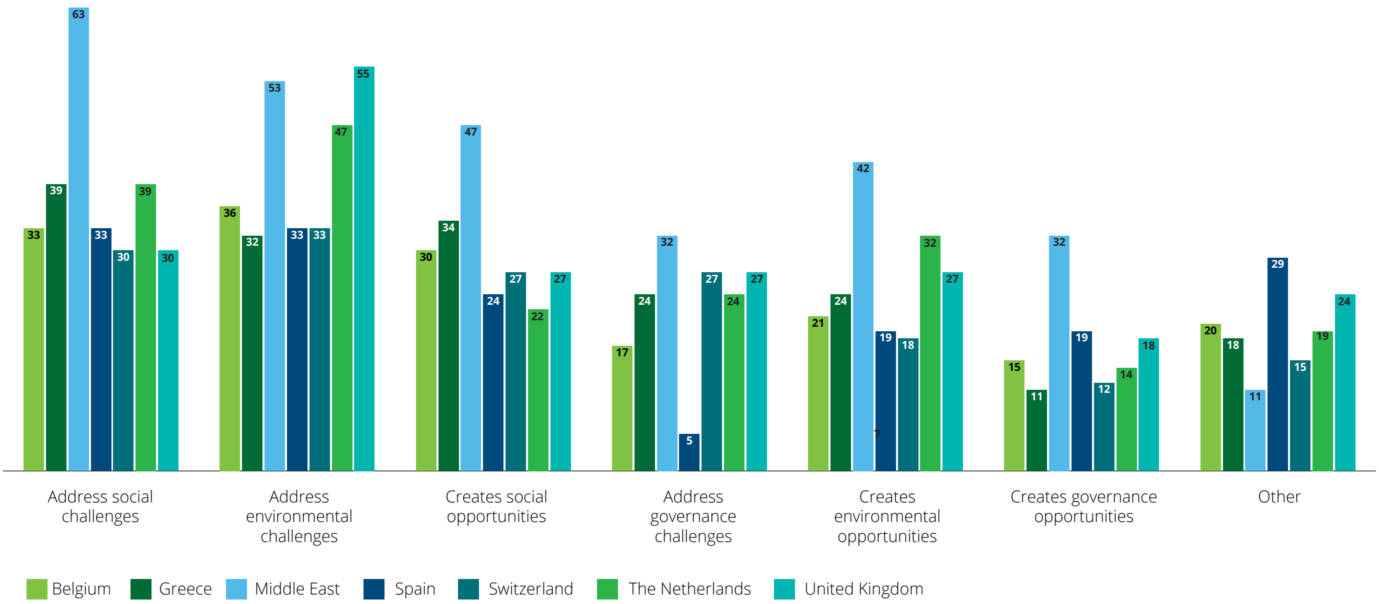


Source: Deloitte Confidence Survey, April 2025, N Belgium = 194, N Middle East = 19, N The Netherlands = 59, N United Kingdom = 34, N Spain = 21, N Greece = 62, N Switzerland = 33

10. ESG

Does your solution address ESG challenges and/or create ESG opportunities?

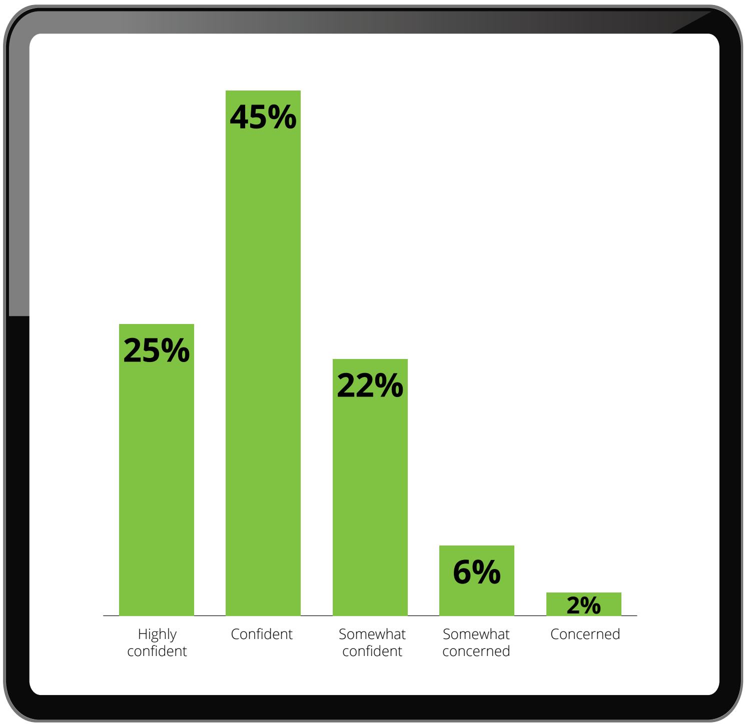
Most scale-ups across all geographies focus on **addressing either social** or **environmental challenges** in their ESG efforts. Middle Eastern scale-ups are particularly focused on **addressing social challenges,** with 63% of respondents citing this as a key focus. Just over half of UK-based scale-ups (55% of respondents) are addressing environmental challenges through their solutions.



Source: Deloitte Confidence Survey, April 2025, N Belgium = 194, N Middle East = 19, N The Netherlands = 59, N United Kingdom = 34, N Spain = 21, N Greece = 62, N Switzerland = 33

11. Conclusion: Scale-Ups Confidence

How confident are you that your business can continue or even accelerate its growth trajectory?



2025 confidence scores per geography

Belgium	8,1/10
Greece	8,3/10
Middle East	8,9/10
Spain	9,1/10
Switzerland	8,2/10
The Netherlands	8,3/10
United Kingdom	7,7/10

The 2025 Scale-Ups Confidence Survey highlights a resilient yet evolving landscape across Europe and the Middle East. Spain and the Middle East emerge as two of the more confident regions, with strong intentions to expand internationally and increase headcount. Spain's focus on new customer acquisitions and funding confidence reflects the maturity of its entrepreneurial ecosystem. Middle Eastern scale-ups are proactive in seeking investment and diversifying their products. Swiss and Dutch scale-ups continue to benefit from strong domestic foundations but increasingly recognise the need for international expansion. Greece's scale-ups face operational challenges, though momentum is building towards a more globally ambitious ecosystem. Meanwhile, UK scale-ups, though still prioritising innovation and internationalisation, are more cautious around customer acquisition and funding prospects. Despite economic headwinds, most scale-ups are seeking growth through new market entry and product development, with most looking to grow their workforce. The regional diversity, combined with a shared drive for expansion and resilience, sets a promising course for the scale-up ecosystems in 2025 and beyond.

Source: Deloitte Confidence Survey, April 2025, N Belgium = 194, N Middle East = 19, N The Netherlands = 59, N United Kingdom = 34, N Spain = 21, N Greece = 62, N Switzerland = 33

Zooming in: Investor interview

Investor: Eleni Bathianaki (Halcyon Equity Partners, Greece)

How would you assess the current environment for scale-up investing in Greece, especially from a private equity perspective, and how is the international PE landscape influencing that?

Private equity is recovering globally, but with a sharper focus on quality and value creation.
After a challenging couple of years, private equity is showing renewed activity — dealmaking is returning, financing conditions are improving, and capital is being deployed more selectively. What's changed is that investors aren't just chasing growth anymore; they're prioritising profitable, resilient, and operationally sound businesses with clear exit paths. For scale-ups, that means expectations are higher, but so is the opportunity — if you're well-prepared.

In Greece, the foundations of a scale-up ecosystem are stronger and more mature than ever.
We're seeing real momentum: founders are more experienced, local investors are increasingly specialised, and overall support infrastructure has improved. There's a cultural shift as well — more professionals are joining growth-stage ventures, and building internationally-minded companies is becoming the norm rather than the exception.

However, scale-ups face a funding gap as they move beyond early traction.
There's a clear drop-off between VC-led seed and Series A rounds, and the kind of institutional capital required for €5–20 million scale-up rounds. This stage is often too large for local VC funds and too small for many global growth investors, especially when companies haven't yet established strong visibility outside Greece and the roadmap to profitability is yet to be proven.

What are the biggest structural barriers that Greek scale-ups face today, and how do you see the ecosystem evolving over the next 3–5 years?

The lack of clear and scalable exit options is still the ecosystem's most fundamental bottleneck.
While early-stage capital has become more accessible and there's more movement in the growth space, exits remain limited. IPOs are extremely rare in Greece, and the local M&A market is still shallow. Without stronger secondary transaction infrastructure, founder liquidity, or cross-border acquisition activity, many businesses struggle to transition from growth to a solid liquidity event. This impacts not only companies, but also the ability of funds to recycle capital and reinvest in the next wave of scale-ups.

Mid-level management talent remains scarce and limits execution at scale.
We're fortunate to have outstanding founders, many with technical or product backgrounds, but when companies reach a certain size — particularly when expanding internationally — they need strong operators, commercial leaders, and regional managers. The local talent pool for these roles is still developing. We need a broader strategy to deepen the talent bench across commercial, financial, and operational functions.

Despite these challenges, the Greek ecosystem is entering a new phase of maturity.
The early ecosystem — largely driven by VC and public co-financing — laid an essential foundation. What we're seeing now is the emergence of a middle layer: more experienced fund managers, early liquidity events, deeper sector specialisation, and a growing base of scale-ups with real revenues and operational muscle. This "middle market" will be the backbone of Greece's next economic chapter.

We're moving from one-off wins to systemic scaling — but we need to enable it structurally.
To truly evolve, the ecosystem must invest in secondary capital markets, talent development pipelines, cross-border corporate partnerships, and succession planning — areas that are often overlooked but deeply strategic. Greece has the potential to become a regional innovation hub. To realise that potential, we need to think long-term, collaborate across public and private sectors, and ensure that our most promising companies are not just surviving — but scaling sustainably.

As the Greek ecosystem matures, what are the 'next-level' capabilities companies need to develop to attract private equity capital?

As start-ups evolve into scale-ups and enter the radar of private equity, the bar for operational efficiency and execution rises sharply. It's no longer just about product innovation or market traction — it's about building investable, durable businesses that can thrive under institutional ownership and continue creating long-term value.

Governance and financial discipline are at the core. PE investors expect clear ownership structures, audited financials, and robust compliance processes.

Technology enablement is increasingly non-negotiable. Investors are looking for companies with scalable, modern tech stacks — whether it's to automate operations, improve unit economics, or support international expansion.

Leadership depth is equally critical. Private equity looks for strong C-level teams — with commercial, operational, and financial leadership capable of scaling the business and handling complex execution.

Attracting and retaining such talent is critical.

Strategic partnerships can also be a differentiator. Companies that have built strong alliances — whether with corporates, international distributors, or ecosystem players — signal maturity, credibility, and a readiness to scale through collaboration.

What role should local private equity play in shaping a more internationally competitive scale-up ecosystem in Greece?

Greek private equity funds are uniquely positioned to bridge the gap between early-stage momentum and international-scale success.

Local private equity can be a transformative enabler at the scale-up stage. It's not just about deploying capital. That includes institutionalizing financial operations, building strong executive teams, aligning governance and incentives, and driving commercial execution. Local PE firms, with their proximity and contextual knowledge, are well-placed to engage hands-on with founders and help them transition from entrepreneurial management to institutional-grade operations.

Equally important is the role of local PE as a connector to global capital markets. Greek companies often need support navigating international investor expectations. Local funds can act as cultural and strategic translators, preparing companies to interact confidently with global PE, strategic buyers, and multinational corporates.

By scaling their own networks and standards, local PE firms can serve as both catalysts and conduits. They are vital to building the "middle layer" of the ecosystem — the operationally sound, internationally-minded companies that will fuel sustained growth and generate real exits. If successful, they'll play a pivotal role in shifting Greece from a start-up story to a scale-up success story with global relevance.

Zooming in:
Expert interview

Expert: Matt Jones, Manager Financial Services and Tech (Saudi UK Tech Hub)

The Middle East's scale-up ecosystem is growing fast

The Middle East and Saudi Arabia in particular, has seen a sharp rise in entrepreneurial activity over recent years. The ecosystem is maturing quickly, but companies continue to face several critical challenges as they scale. Specialised tech talent remains a limiting factor. While demand for technical roles is growing rapidly, the domestic talent pool in Saudi Arabia remains limited relative to market demand.

Many firms continue to offshore development teams in the wider Middle East, South Asia, and occasionally in Western centres such as London. At the same time, government initiatives are encouraging local employment and there is a genuine requirement for employees to understand Saudi market context, making nationals with technical skills in great demand.

Navigating regulations also remains a core challenge for companies entering or expanding in Saudi Arabia. Securing the right licences and meeting sector-specific requirements is essential, and delays can be costly. That said, there has been meaningful progress. New measures such as the Simplified Joint Stock Company (SJSC) and streamlined registration processes introduced in 2023 have made it significantly easier to operate.

Founder quality is improving, but more visibility is needed

In Saudi Arabia, the experience and calibre of founders are rising. Founding teams with international experience, excellent academics, and blue-chip resumes find themselves in a highly beneficial position for fundraising, particularly when compared to other global markets. Saudi-established and Saudi-national-founded start-ups also attract high premiums on valuation, even at early stages. When we compare VC valuations for the same company in the UK and Saudi Arabia, the Saudi valuation is usually significantly higher.

However, without a deeper pool of domestic late-stage capital and more flexible funding structures, promising ventures risk stalling before they can reach public markets, profitability, or acquisition. While there is increasing capital available for follow-on investment, this is concentrated into start-ups that align with long-term plays or national priorities.

Fintech, ecommerce, and deeptech are leading sectors in Saudi Arabia

There are several sectors showing strong potential in the Kingdom. Fintech is the standout sector in Saudi Arabia's innovation ecosystem, supported by policy and wide consumer demand. In 2024, fintech remained a top draw for investors, leading with the most transactions.

Ecommerce is one of the fastest growing sectors in Saudi Arabia. Major players like Floward and Nana have each closed €100M+ rounds, and Jahez became Saudi's first homegrown listed tech start-ups. These successes reflect consumer appetite for solutions that whilst tailored for the Saudi market, are available in many other developed economies.

Deeptech is an area receiving significant attention across the policy, academic, and financial infrastructure of the Kingdom, and ambitious programs are in place to support the sector. Funds like Wa'ed have been expanded to €500m to back deeptech companies, with localisation requirements for international scale-ups.

Collaboration

Collaboration across Saudi Arabia's innovation ecosystem is accelerating. Banks have launched venture arms, scale-ups invested in peers, and public institutions are playing a catalytic role. Key initiatives like the Saudi Unicorn Program, launched by the Ministry of Communications and IT (MCIT and SME Authority, are supporting scale-ups directly. Sector-specific programmes have also emerged, including the "Makken" fintech accelerator, which intends to scale 150 fintech start-ups in the next three years. Government-backed investors, such as SVC and Jada, are anchoring funds and have recently increased capital available for direct investments at the growth stage. This has de-risked new asset classes, plugged gaps, and encouraged greater private sector involvement. Gigaprojects in progress throughout the Kingdom offer test beds for innovative technologies, notably in construction and clean energy.

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