

# The Lithuanian startup ecosystem 2021



Ellex<sup>®</sup>



December 2021





### National startup ecosystem facilitator

By building bridges between different ecosystem players Startup Lithuania aims to be a one-stop shop for current and future startups in Lithuania. We collect the data about Lithuanian startups, give consultations for startup founders, administrate online pre-acceleration program Startup Guide as well as Startup Visa Lithuania program, organize different events and workshops, including the main international startups' event in Lithuania called Startup Fair. Startup Lithuania is powered by Enterprise Lithuania - a non-profit agency under the Ministry of Economy and Innovation established to promote entrepreneurship, support business development, and foster export.



### Early-stage VC fund focusing on Baltic founders

Practica Capital is an early-stage VC dedicated to backing Baltic founders. We have invested exclusively in tech potential in the Baltic States for the last 10 years. We back great founders in their ambition in seed and selected pre-seed and A stages partnering with them as company builders. Practica Capital manages three funds with more than €55m in AUM. To date, we have made more than 70 investments, including great companies like TransferGo, PVcase, Interactio, Eneba, Ovoko, Trafi, CGtrader and others.



### Leading pan-Baltic law firm

Ellex's interconnected network of 200+ legal experts supports continued success and drive new opportunities for business. The Ellex team has diverse experience in advising clients across a wide variety of practice areas and helping them navigate even the most complex legal challenges. Established in the Baltics almost 30 years ago, law firm advise clients locally, on a pan-Baltic scale, and globally with the unique international focus.

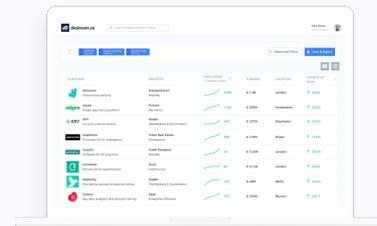
Law firm proven experience in representing clients within the following industries: consumer & retail, technologies & life sciences, energy, aerospace & defence, finance & investments, industrials, real estate & construction, media & entertainment and others.



### Global startup & venture capital intelligence platform

Dealroom.co is the foremost data provider on startup, early-stage and growth company ecosystems in Europe and around the globe.

Founded in Amsterdam in 2013, we now work with many of the world's most prominent investors, entrepreneurs and government organizations to provide transparency, analysis and insights on venture capital activity.



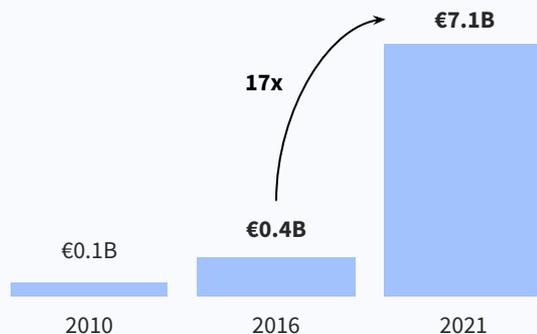
# What you need to know.

## The Lithuanian ecosystem has come of age.

The Lithuanian tech ecosystem has started to take off, building on years of small tech successes which brought international investors attention.

The combined enterprise value of Lithuanian startups has now reached €7.1B, up 17x since 2016, largely thanks to Lithuania first unicorn, Vinted.

Valuation of Lithuania tech companies



## Record venture capital investment in Lithuania.

Venture capital investment in Lithuanian-founded companies has already smashed previous records in 2021, with €428M raised so far, 2.2x the previous record of 2018.

Investment is growing at every company growth stage. Early stage funding grew 2.4x from last year, reaching €118M.

VC funding into Lithuania startups

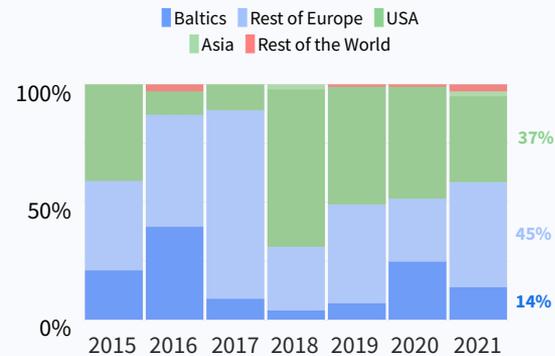


## Lithuania is attracting foreign investors.

The Baltic region is becoming increasingly visible not only on the European startup map, but also worldwide.

In 2021, only 14% of the VC funding in Lithuanian startups came from Baltics investors. 45% came from the rest of Europe and 37% from the US.

VC funding into Lithuania startups by investor source





**Roberta Rudokiene**  
Head of Startup Lithuania



**“2021 is a record year for the Lithuanian startup ecosystem and we believe it’s only the beginning of exceptional growth.”**

“The Baltic region is becoming increasingly visible not only on the European startup map, but also worldwide. This is particularly notable considering the country’s size, and number of startups and unicorns per capita. We are pleased to see that even during the pandemic, the majority of Lithuanian startups showed great resilience and managed to grow. The number of employees in Lithuanian startups rose by 15% in 2021, and their revenues and exports were up 192%, compared to the first half of 2020.

“It is no coincidence that Lithuanian startups are receiving increasing interest from foreign investors and large corporates: record investment exceeding €420 million has been raised this year, with 5 startup exits recorded. In addition, some of Lithuania’s most successful startups are successfully bootstrapping and scaling worldwide without external investment.

“We therefore believe that our startup ecosystem’s growth spurt is only just getting underway, with new records, new exits, and new unicorns in the near future.”

# Table of contents

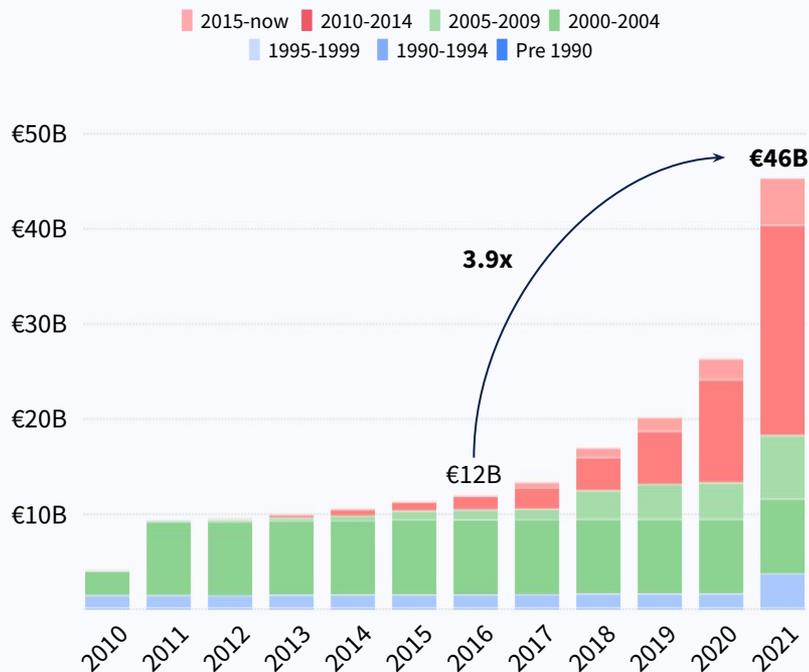
- **Venture capital in the Baltics**
- **Lithuanian tech ecosystem potential**

1

# Venture capital in the Baltics

# Baltic startups have surged to a combined value of €46 billion, up 3.9x since 2016.

Combined enterprise value of Baltics startups by launch year

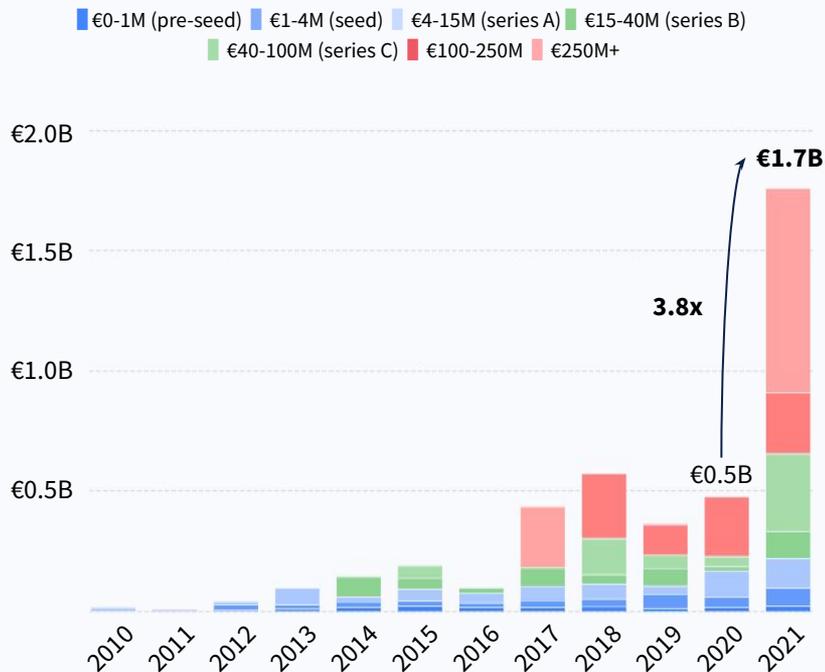


See the most valuable companies: [» view online](#)

NAME	MARKET	TYPE	GROWTH SIGNAL 12 months growth	LAUNCH DATE
<b>Wise</b> ★❤️ Money transfer platform	B2B, B2C fintech payments	commission	2,380	2011
<b>Skype</b> ★❤️ Messaging and VOIP service, owne...	B2C telecom	subscription	1,063	2003
<b>Bolt</b> ★❤️ One platform that connects you wi...	B2B, B2C food transportation logistics & delivery marketplace & ecommerce	mobile app commission marketplace & ecommerce	3,045	May 2013
<b>Vinted</b> ★👎 The largest online international C2...	B2C fashion apparel	commission marketplace & ecommerce	977	Dec 2008
<b>Playtech</b> Online gaming software supplier o...	B2B gaming betting & gambling	subscription	1,993	1999
<b>Evolution Gaming</b> ★ World leader in video-streamed LI...	B2B gaming console & pc gaming	commission	2,568	2006
<b>Pipedrive</b> ★❤️ Develops web-based customer rel...	B2B marketing enterprise software crm & sales	subscription saas	825	Jun 2010
<b>Zego</b> ★❤️ Global insurtech business providin...	B2B fintech insurance	machine learning mobile app artificial intelligence subscription	436	Aug 2016

# Baltic companies have raised an all-time-high €1.8B in investment in 2021, up 3.8x year on year.

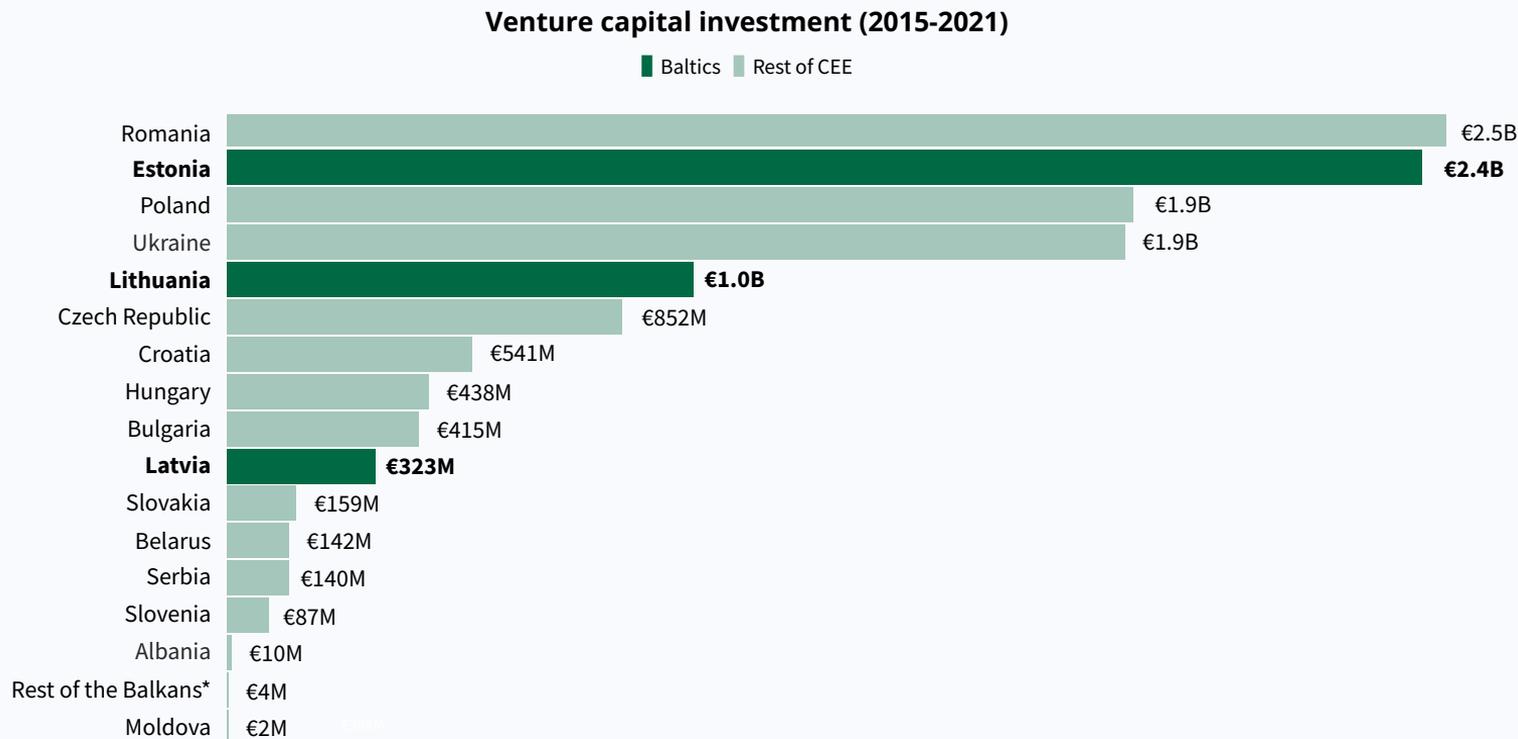
## Combined venture capital investment into Baltics startups



## Top rounds in 2021: [» view online](#)

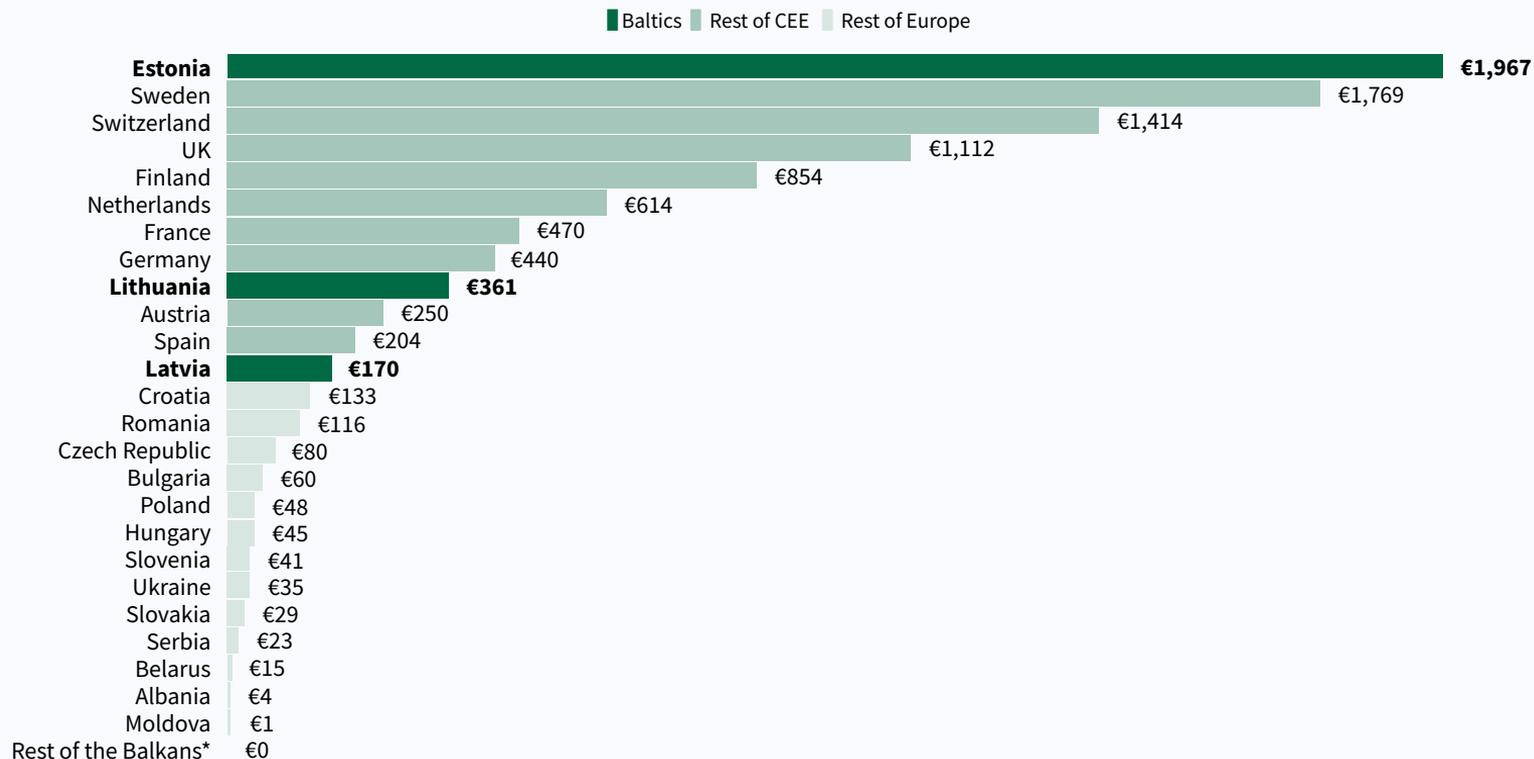
NAME	INVESTORS	MARKET	LOCATION	VALUATION	LAST ROUND	DATE
<b>Bolt</b> One platform that connects you w...	Seecoa Capital Teine Capital Management D1 Capital Partners C Squared Naya Capital	food transportation road logistics & delivery logistics & delivery mobility	Tallinn, Estonia	\$4.4b	€600m LATE VC	Aug 2021
<b>Vinted</b> The largest online international C2...	Accel EQT Group Insight Partners Lightspeed Venture Partners Burbis Principal Investments	fashion apparel	Vilnius, Lithuania	\$4.1b	€250m SERIES F	May 2021
<b>Zego</b> Global insurtech business providin...	Balderton Capital General Catalyst Partners Target Global DST Global Tencent Hiventus	fintech insurance	London, United Kingdom	\$1.1b	\$150m SERIES C	Mar 2021
<b>Printful</b> A global leader in print-on-deman...	Bregal Sagemount	fashion marketing	Charlotte, United States	\$1.0b	\$130m GROWTH EQUITY VC	May 2021
<b>Monese</b> Online banking platform that offer...	investic	fintech banking	London, United Kingdom	\$360–540m	\$90m SERIES C	Sep 2021
<b>Veriff</b> Offers AI-powered identity verifica...	Accel Institutional Venture Partners	security fintech regtech identity & access	Tallinn, Estonia	\$376–414m	\$69m SERIES B	Apr 2021
<b>TransferGo</b> Money transfer service	Black River Ventures Hard Rock Ebusus Capital Sparthub Unlimited Capital	fintech payments	London, United Kingdom	\$200–300m	\$50m SERIES C	Sep 2021
<b>Printify</b> Printify is a print on demand mark...	Index Ventures Virgin Group Kristo Kaasman H&M Group	marketing enterprise software ecommerce solutions	San Francisco, United States	\$300m	\$45m SERIES A	Sep 2021
<b>Skeleton Technologies</b> Developer and manufacturer of hi...	Marubeni Corporation Hajip Electric Group MM Group	energy energy storage	Tallinn, Estonia	\$227m	€29m SERIES D	Jun 2021
<b>Interactio</b> We build bridges to limitless know...	Eight Roads Ventures Norton Capital Practica Capital Young Sohn Jaun Talon	event tech enterprise software	Klaipėda, Lithuania	\$124–186m	\$31m SERIES A	May 2021

# Lithuania ranks #5 in CEE and #2 in the Baltics by VC investment raised since 2015.

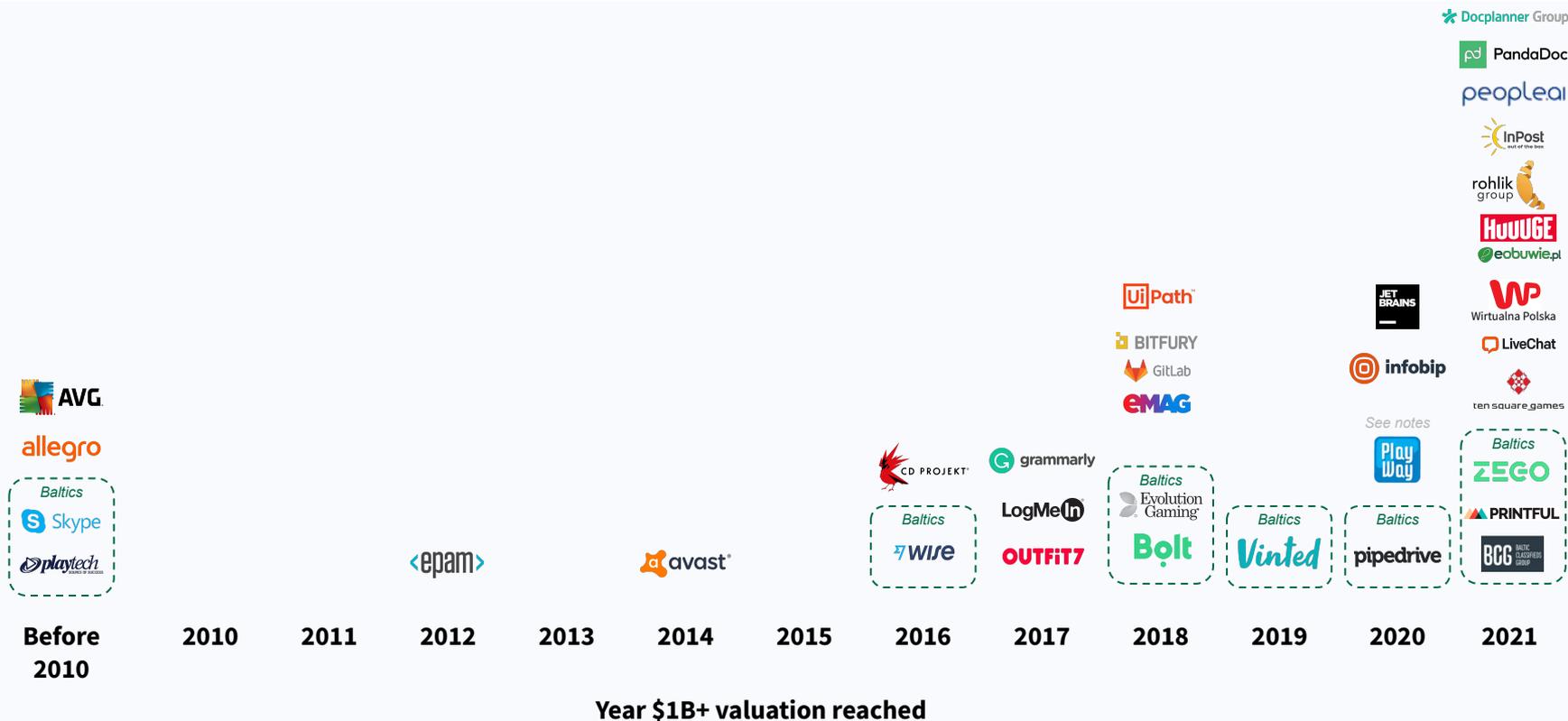


# Lithuania ranks 9th in Europe and 2nd in CEE by VC investment raised per capita.

VC funding per capita by country (2015-2021)

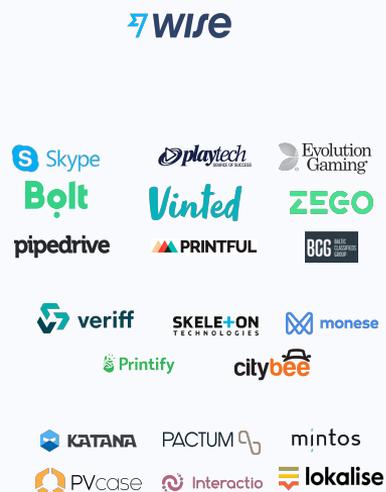
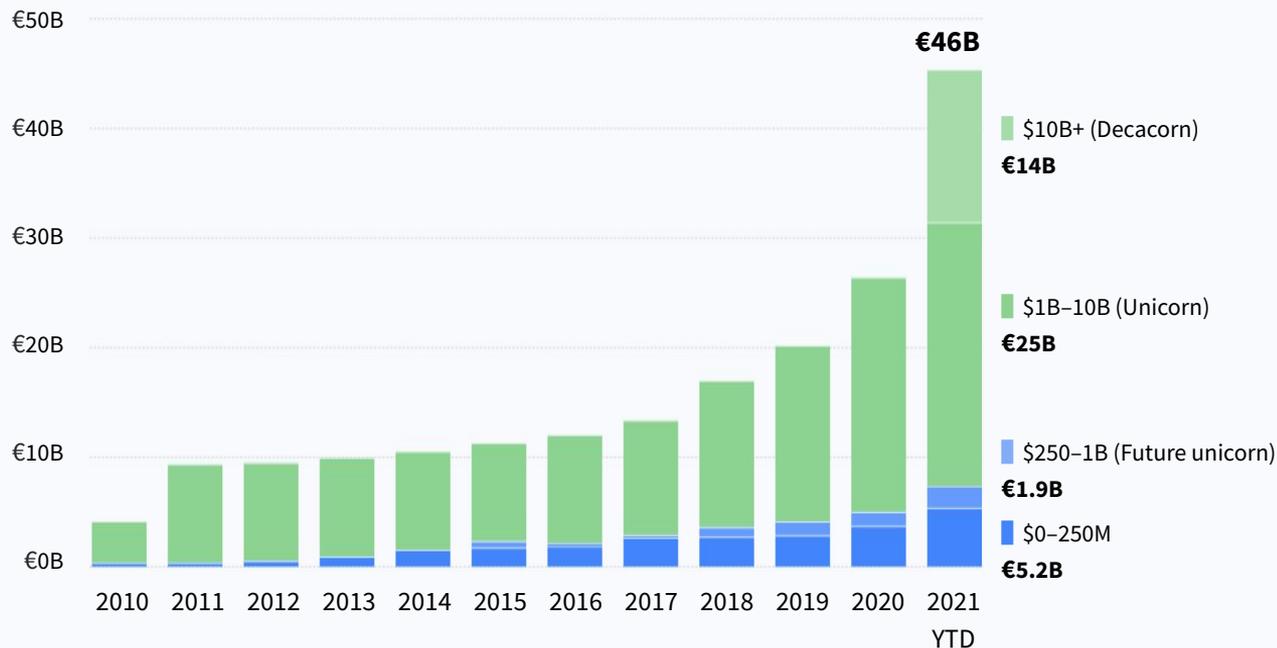


# The Baltic region has created more than a quarter of all unicorns in Central & Eastern Europe.



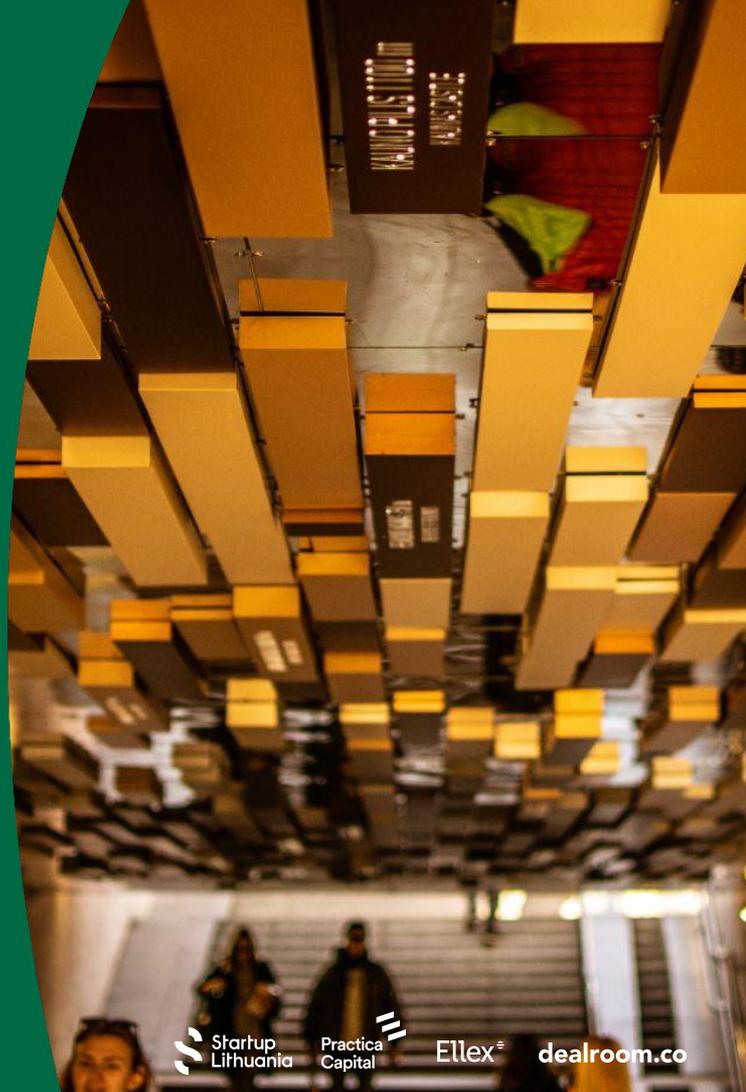
# Baltics unicorns & decacorns are now worth a combined €38B, while the early and growth stage pipeline is worth €7.3B.

Combined enterprise value of Baltics tech companies by size



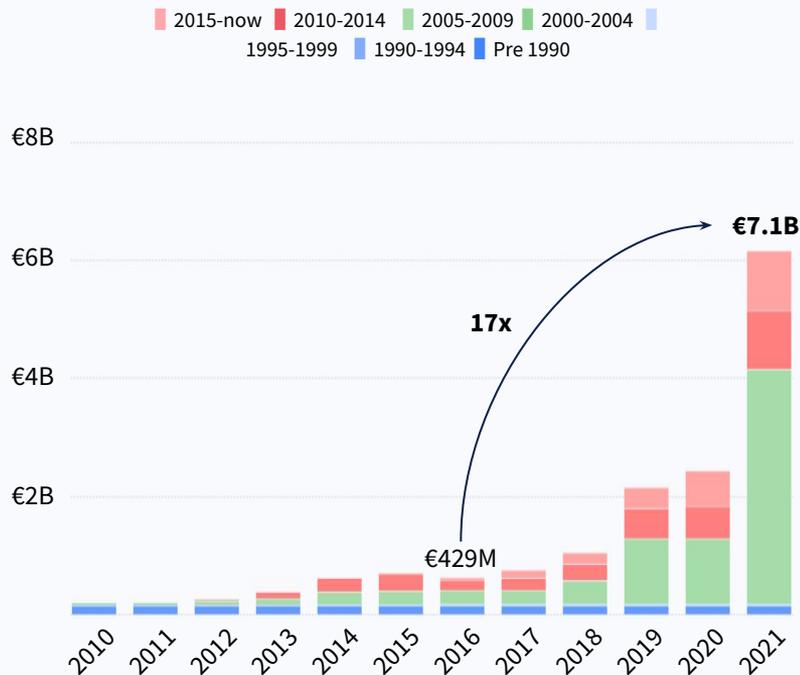
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## Lithuanian tech ecosystem potential



# Lithuanian startups have surged to a combined value of €7.1 billion, up 17x since 2016.

Combined enterprise value of Lithuania startups by launch year



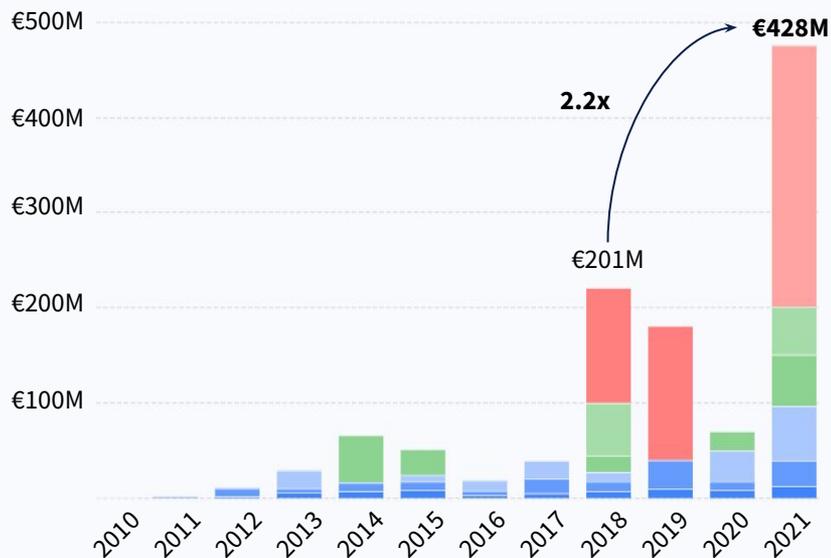
See the most valuable companies: [» view online](#)

NAME	MARKET	TYPE	GROWTH SIGNAL 12 month growth	LAUNCH DATE	IP	VALUATION
Vinted ★ The largest online international C2...	B2C fashion apparel	commission marketplace & ecommerce	977	Dec 2008		\$4.1b
Baltic Classifieds Group Online classifieds portals in the Ba...	B2C	advertising marketplace & ecommerce	320	1999		\$1.3b
CityBee Bzz, we are CityBee - one of the lea...	B2C transportation mobility	mobile app commission subscription	76	Nov 2012		\$330m
TransferGo ★ Money transfer service	B2C fintech payments	commission	198	Jan 2012		\$200–300m
Interactio ★ We build bridges to limitless know...	B2B event tech enterprise software	subscription saas	141	Mar 2014		\$124–186m
PVcase ★ A solar engineering software integr...	B2B energy clean energy	deep tech 3d technology commission saas	67	Sep 2018		\$92–138m
Argyle The infrastructure for universal wo...	B2B enterprise software	subscription saas	90	Dec 2018		\$80–120m
CAST AI ★ Autonomous Kubernetes optimiza...	B2B enterprise software	artificial intelligence saas	53	Oct 2019		\$40–60m
Kevin. ★ Payment infrastructure for online ...	B2B fintech payments banking	blockchain deep tech mobile app commission	97	Jun 2017		\$40–60m

# Lithuanian startups have raised a record €428M in funding in 2021, 2.2x the previous peak in 2018.

## Venture capital investment into Lithuanian startups

■ €0-1M (pre-seed) 
 ■ €1-4M (seed) 
 ■ €4-15M (series A) 
 ■ €15-40M (series B) 
 ■ €40-100M (series C) 
 ■ €100-250M 
 ■ €250M+

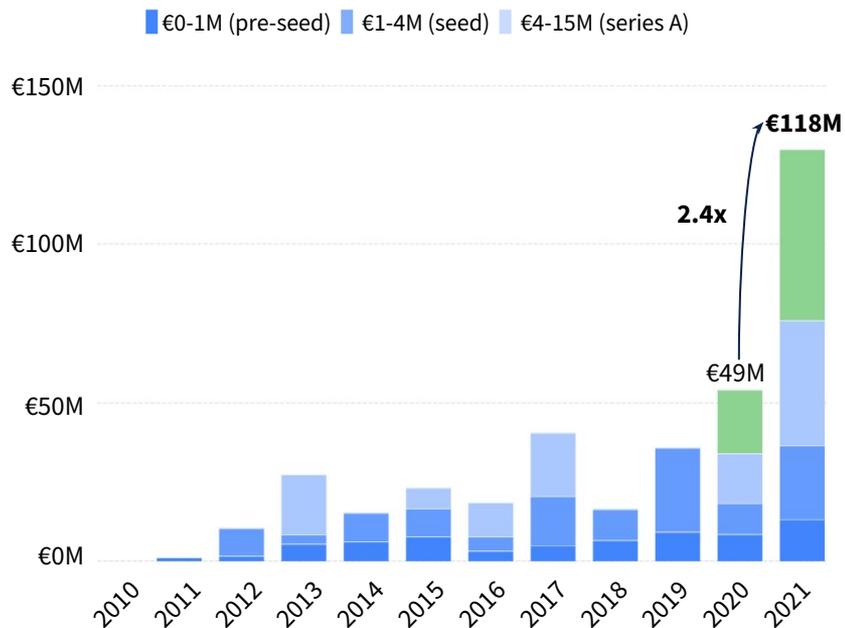


## Top rounds in 2021: [» view online](#)

NAME	INVESTORS	MARKET	LOCATION	VALUATION
<b>Vinted</b> The largest online international C2...	Accel EQT Group Insight Partners Lightspeed Venture Partners Burda Principal Investments	fashion apparel	Vilnius, Lithuania	\$4.1b
<b>TransferGo</b> Money transfer service	Black River Ventures Hard Yaka Elbrus Capital Smarthub Unlimited Capital	fintech payments	London, United Kingdom	\$200–300m
<b>Interactio</b> We build bridges to limitless know...	Eight Roads Ventures Notion Capital Practica Capital Young Sohn Jaan Tallinn	event tech enterprise software	Klaipėda, Lithuania	\$124–186m
<b>PVcase</b> A solar engineering software integ...	Practica Capital Elephant Contrarian Ventures	energy clean energy	Kaunas, Lithuania	\$92–138m
<b>Kevin.</b> Payment infrastructure for online ...	Speedinvest GmbH Open ocean OTB Ventures Henry McGovern Global PayTech Ventures	fintech payments banking	Vilnius, Lithuania	\$40–60m
<b>CAST AI</b> Autonomous Kubernetes optimiza...	Samsung Next Cota Capital	enterprise software	SUNNY ISL BCH, United States	\$40–60m
<b>CGTrader</b> CGTrader ARsenal transforms 2D p...	Karma Ventures Evil Growth Partners	media enterprise software content production	Vilnius, Lithuania	\$38–57m

# Early-stage funding grew 2.4x compared to last year, reaching €118M.

## Venture capital investment into Lithuanian startups (pre)seed-series A

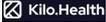


## Explore 65 early-stage rounds in Lithuania in 2021

[» view online](#)

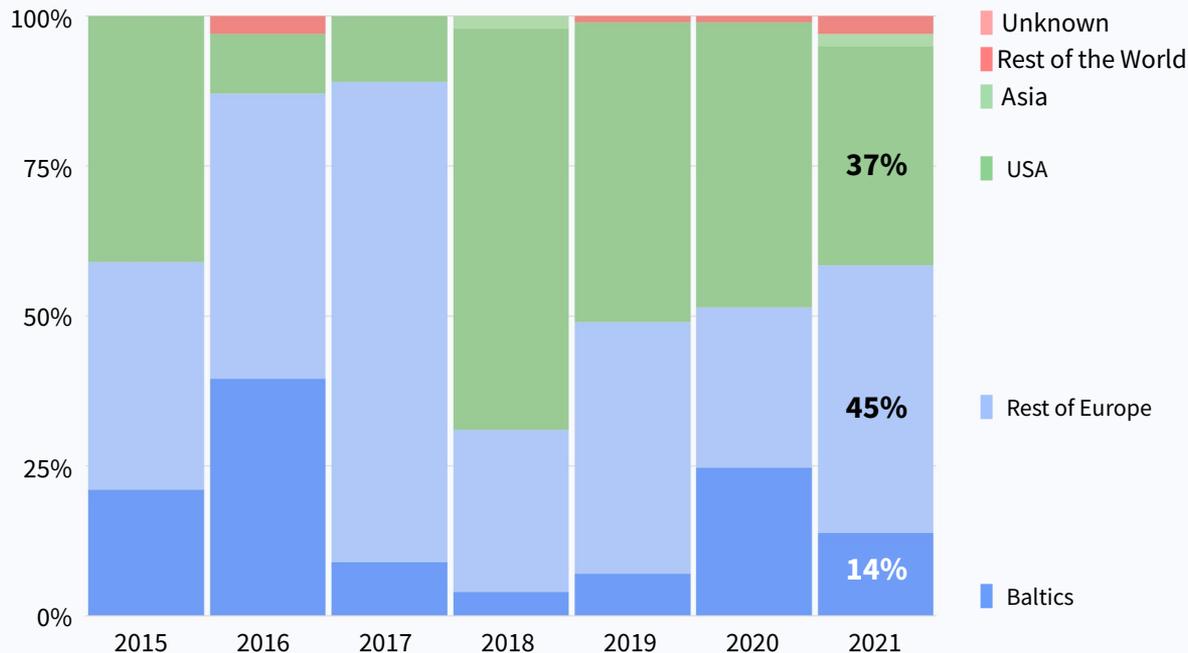
NAME	INVESTORS	MARKET	LOCATION	VALUATION	F	LAST
<b>Interactio</b> We build bridges to limitless know...	Eight Roads Ventures Notion Capital Practica Capital Young Sohn Jaun Tallinn	event tech enterprise software	Klaipėda, Lithuania	\$124–186m		\$31
<b>PVcase</b> A solar engineering software integ...	Practica Capital Elephant Contrarian Ventures	energy clean energy	Kaunas, Lithuania	\$92–138m		\$23
<b>CAST AI</b> Autonomous Kubernetes optimiza...	Samsung Next Cota Capital	enterprise software	SUNNY ISL BCH, United States	\$40–60m		\$10
<b>Kevin.</b> Payment infrastructure for online ...	Speedinvest GmbH Open ocean OTB Ventures Henry McGovern Global PlayTech Ventures	fintech payments banking	Vilnius, Lithuania	\$40–60m		\$1
<b>whatagraph</b> Customise and visualise website r...	Invecture LICCapital Open Circle Capital Giles Palmer	media enterprise software publishing	Amsterdam, Netherlands	\$29–43m		\$7.2
<b>Affise</b> Performance Marketing Platform f...	LETA Capital TMT Investments	media marketing adtech	Vilnius, Lithuania	\$29–43m		\$6.5
<b>DappRadar</b> DappRadar provides information ...	Prosus NordicNinja VC Blockchain.com Ventures	gaming fintech crypto and defi	Kaunas, Lithuania	\$20–30m		\$5
<b>Ondato</b> Remote customer identification a...	Startup Wise Guys LICCapital OTB Ventures	fintech	London, United Kingdom	\$16–24m		€3

# Aside from the big exits and known unicorns, there is a strong pipeline of rising stars, future unicorns and bootstrapped startups in Lithuania.

Total value	€7.1B » <a href="#">view online</a>
Exited	    
Private \$1B+	
Future unicorns \$250M-1B	 
Rising Stars <\$250M	               
Bootstrapped*	      

# In 2021, only 14% of the VC funding in Lithuanian startups came from Baltics investors. 45% came from the Rest of Europe and 37% from the US.

VC funding in Lithuanian startups by investor source



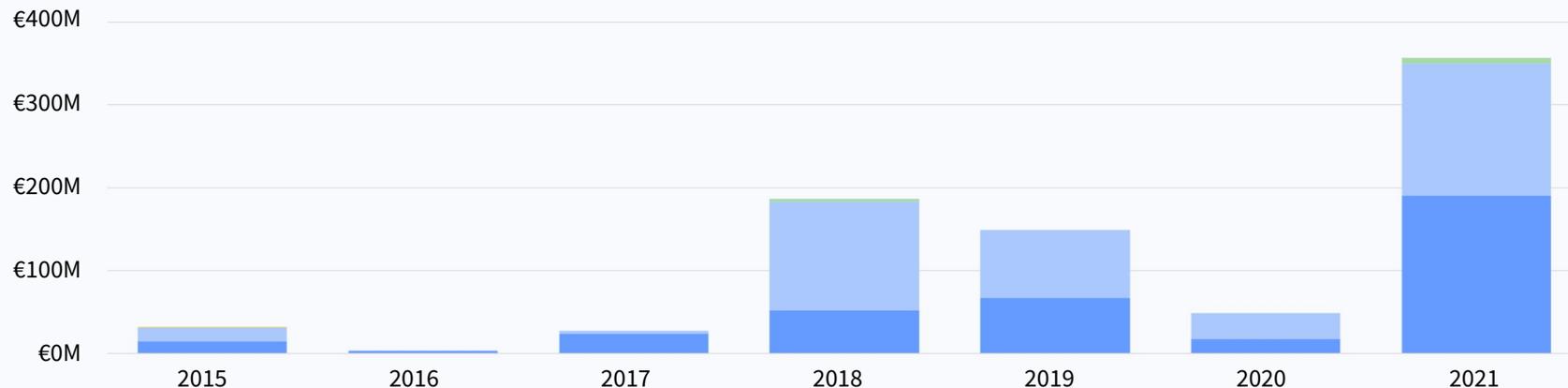
# Selected local investors active in the ecosystem.

FUND	TYPE	STAGE	NUMBER OF INVESTMENTS	SELECTED INVESTMENTS
 Practica Capital	VC fund	Seed, Early VC	75	   
 Open Circle Capital	VC fund	Seed	15	   
 Iron Wolf Capital	VC fund	Seed	12	   
 Contrarian Ventures	VC fund	Seed	11	   
 70ventures	VC fund/accelerator	Seed	17	   
 Startup Wiseguys	VC fund/accelerator	Seed	48	   
 Coinvest Capital	VC fund	Seed, Angel	21	   
 LITBAN	Angel network	Seed	51	   

# Foreign funding has grown massively in Lithuania, led by new investors entering the region and others doubling down.

VC funding in Lithuania with participation of investors from outside the Baltics

Rest of Europe USA Asia Rest of the World

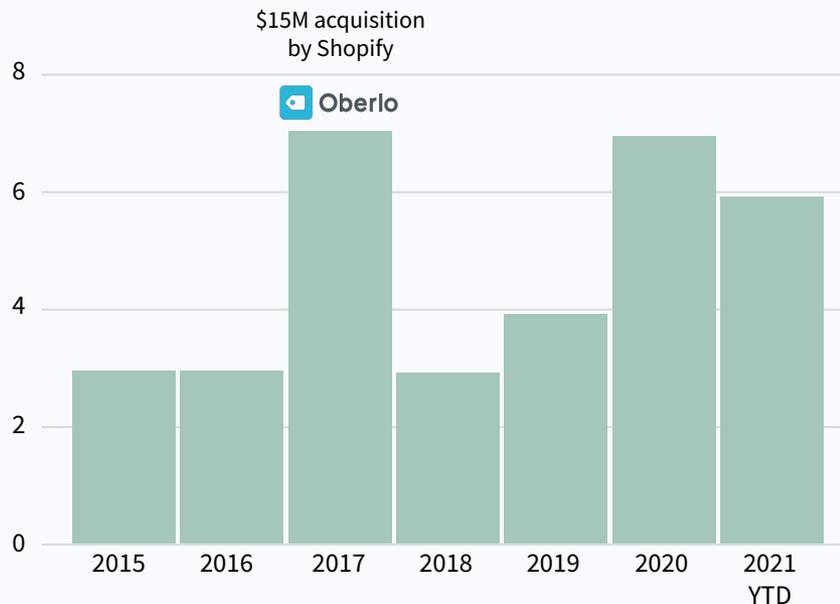


**US**

**Europe**

# Exits for Lithuanian startups are slowly ticking up, with notable international acquisitions like Oberlo by Shopify in 2017.

Number of exits of Lithuanian startups



## Explore exits in Lithuania in 2021

[» view online](#)

NAME	BACKERS	ACQUIRORS	MARKET
 <b>Baltic Classifieds Group</b> Online classifieds portals in the Ba...	Apax Partners	-	-
 <b>MedSciNet LT</b> Well Managed Medical Data	-	CSAM Finland	-
 <b>BTT Group</b> Business / Technology / Team	-	Skylink	-
 <b>MARGUARD</b> Competitor Price Tracking & Comp...	-	Prisync	marketing enterprise software
 <b>Dokobit</b> E-Signing as an everyday service	-	Signicat	security enterprise software public safety
 <b>Paysolut</b> Paysolut offers core mobile bankin...	Lithuanian Business Angels Network	SumUp	fintech banking



**Donatas Keras**  
Founder and Partner  
at Practica Capital

Practica Capital 

“Lithuania is starting to finally unlock its intrinsic tech ecosystem potential. And the best is yet to come.”

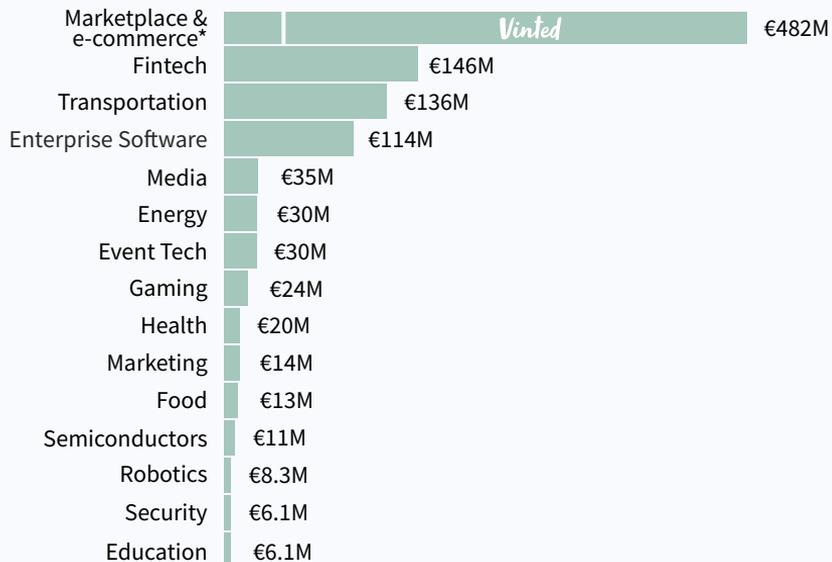
“The Lithuanian startup ecosystem is at an inflection point. The country's export-driven mentality, low opportunity cost to start a venture and large diaspora, is highly synergetic to the 0 to 1 journey. Add to this the increasing network effects and we see Lithuania starting to finally unlock the intrinsic potential of its tech ecosystem.

“In addition, the ecosystem is increasingly recognized by top global VC funds, has full cycle experience (exits), an abundance of later-stage investment and a well-established and healthy pre-seed and seed ecosystem.

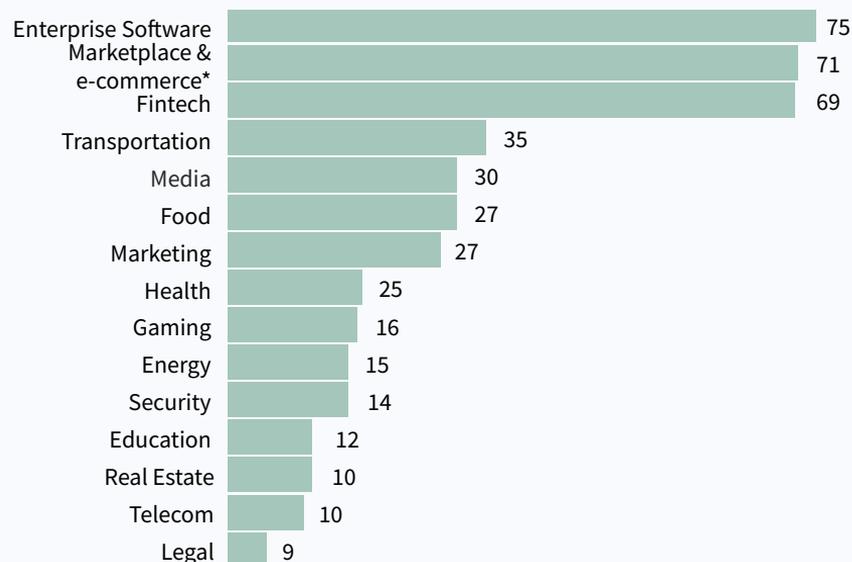
“This is what we have believed in since 2012. And we will continue to partner and support the next generation of Baltic entrepreneurs seeking to build great global companies.”

# Marketplace & e-commerce, Fintech, Enterprise software and Transportation have led VC investment in Lithuania since 2015.

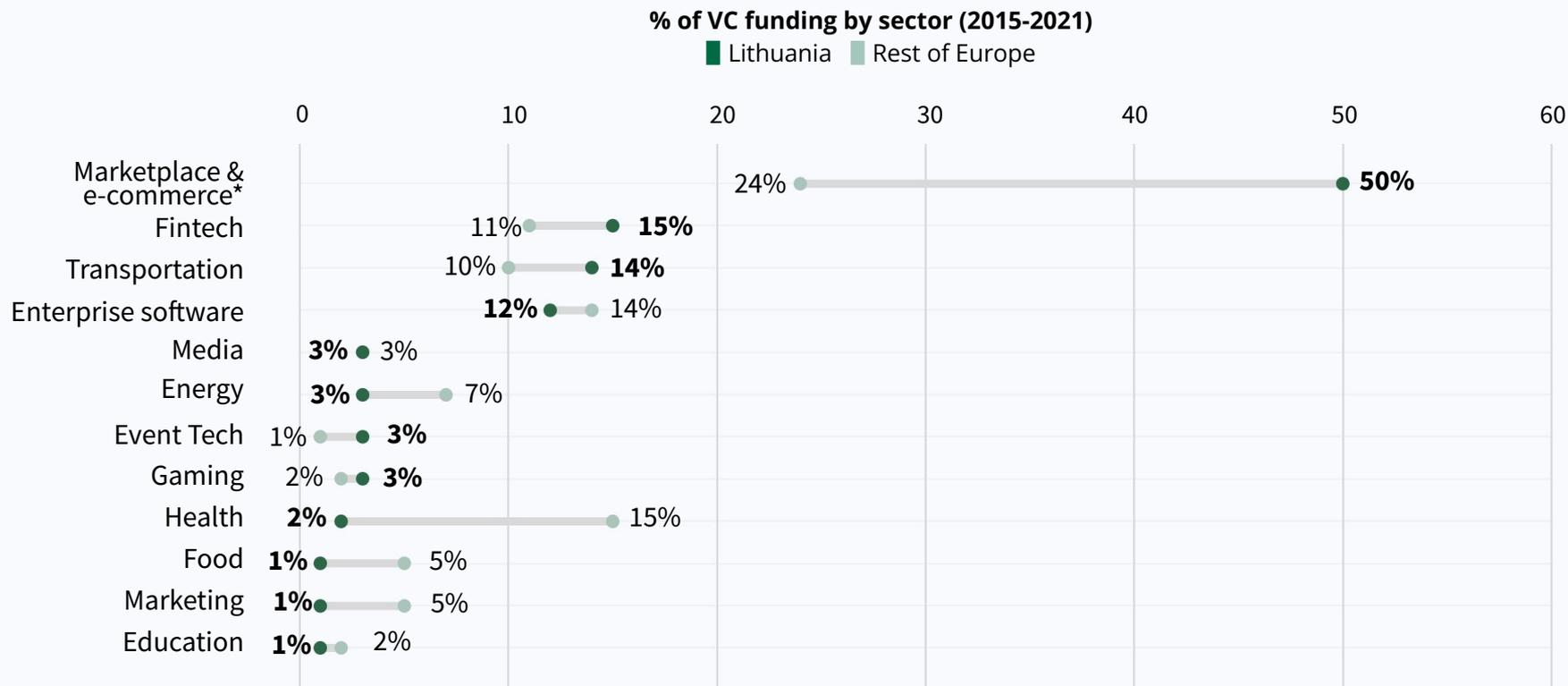
Total VC funding by sector (2015-2021)



Total VC rounds by sector (2015-2021)



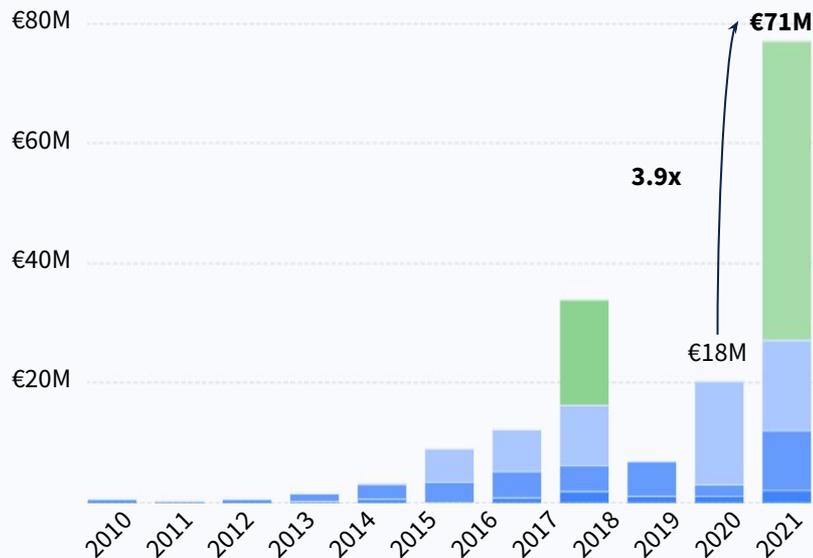
# Lithuania's relative strengths lie in Marketplaces, as well as fintech and transportation, which attract a high share of the country's VC funding compared to the rest of Europe.



# Lithuanian fintech startups have raised €71M in 2021, up 3.9x from last year.

## Venture capital investment into Lithuanian Fintech startups

■ €0-1M (pre-seed) ■ €1-4M (seed) ■ €4-15M (series A) ■ €15-40M (series B)



## Discover 200+ fintech startups in Lithuania:

[» view online](#)

financial management solutions	wealth management	payments
Kernolab Contribee Hasle	FOROS HeavyFinance WePower Limited	Kevin TransferGo Drivitty
Kontomatik ROBO-LABS Future Technolo	Evarvest Debitum Network Energias	Axapay Baltic banking Transactive Sys
H-Finance DEBIFO SIMPLEFIN Simplefin	Viventor Grofit Voluta	WioPay Dalinuosi Spectro Coin
Dealoyal CFlow unifiedpost	CoArt Synergy Finance Nordstreet	walleto Velmie GLOcASH
IStopWAT TheFintechLAB Bruc + Bond	Gatepool KaisereX IBS International Business Settlement	Solid Noecard Genome wallet
Ibanera Zowo app Corner Case Tec	Profitus Röntgen BitMarket	Best Finance Interpaylink Verilo
Seven Seas Fina Satchel TurboTransfers	MoonStarter INNTec Lennydy	TeslaPay Mano.bank ASTARPAY



**Rūta Armonė**

Head of the Corporate  
and M&A practice at Ellex

Ellex

## “Lithuania has established one of the most supportive legal and tax regime in Europe for startups.”

“Lithuania and the other Baltic States have a favourable tax and legal regime that empowers tech companies to grow and attract investment from local and global VC firms. This rapid growth momentum is expected to result in more significant large scale exits through the IPO or M&A transactions. This year has brought landmark transactions such as the IPO of BCG or sale of Dokobit, Deeper or Pigu.lt. The region is creating a snowball effect, as tech founders with capital from successful exits are ready to invest in the next wave of startups.

“The legal regime is also changing to accompany the needs of the ecosystem. The recent changes in the tax incentives regime for option plans have guaranteed that the Baltic States are among the leaders in Europe. According to Index Ventures’ ranking, the Baltic region has the world’s most favourable stock option regulations, making it easier for startups to attract and retain talent. The policymakers understand the ecosystem’s needs, and several new initiatives should focus on a more investment-friendly legal regime.”

Visit  
[startumlithuania.com/startup](https://startumlithuania.com/startup)  
 to explore **Lithuania's tech ecosystem** in greater depth.

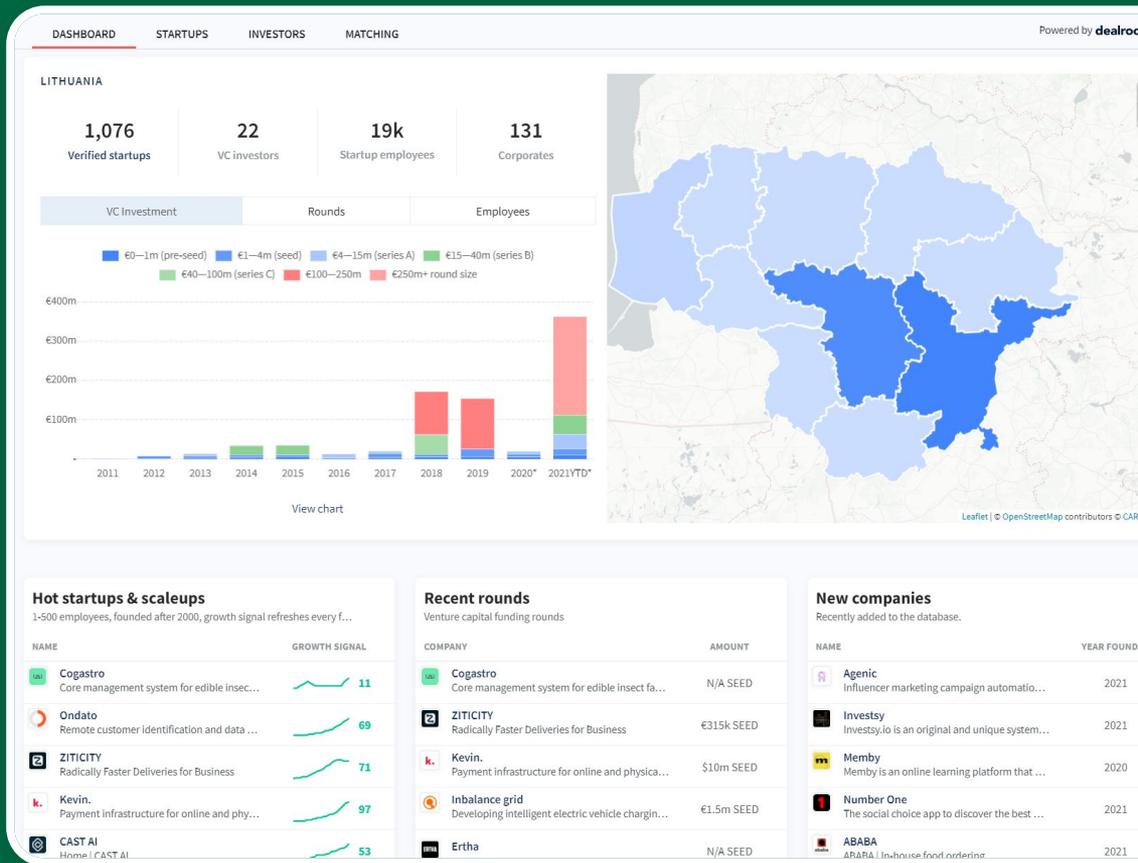
The only open digital database covering startups, scaleups and funding in Lithuania.

The platform catalogues the collective regional tech ecosystem, covering areas such as newly founded and scaling companies, funding, investors, accelerators, and job opportunities.

Initiated by



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3

# Methodology

# Venture capital methodology and definitions.

## Startups, scaleups, grownups and tech

Companies designed to grow fast. Generally, such companies are VC-investable businesses. Sometimes they can become very big (e.g. \$1B+ valuation).

When startups are successful, they develop into scaleups (>50 people), grownups (>500 people) and result in big companies, like Vinted or Skype.

A unicorn is defined as a rapidly scaling company (and tech enabled) that has reached a \$1 billion valuation, on the basis of a funding round (unrealised), acquisition or IPO (realised).

This report focuses, unless specified, on companies in the information age, i.e. after 1990.

## Venture capital investment

Investment numbers refer to rounds such as Seed, Series A, B, C, .... late stage, and growth equity rounds.

Venture capital investment figures exclude debt or other non-equity funding, lending capital, grants and ICOs.

Buyouts, M&A, secondary rounds, and IPOs are treated as exits: excluded from funding data.

Investment rounds are sourced from public disclosures including press releases, news, filings and verified user-submitted information.

## Report focus

This report focuses on Lithuania and on the Baltics (Lithuania, Estonia, Latvia).

A company has been considered as founded in Lithuania based on two main criteria:

- 1) founding location and founders (nationality, education, first)
- 2) employees distribution

Another supporting criteria has been whether the company received support from investors or other entities in Lithuania.

A degree of arbitrariness still remains in the choice, here is the [dataset](#).

A company has been considered as headquartered in Lithuania if the company indicates a city in Lithuania as its current headquarters.



December 2021