

LATVIAN STARTUP REPORT

2023

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There are clickable links throughout this report - they look like this!

Startin.LV

Opening Words

Stepping into 2023, there was a special vibe in the air. Almost palpable. Truth to be told, there was not much rationale behind it. I mean, the world was still living through the horror of a devastating war in the heart of Europe. And yet, at the beginning of 2023 we were full of hope that somehow, having gone through a very tough 2022, we - as humanity - would say "that's enough" and start making better choices.

Instead, 2023 proved to be generous with more warfare and bloodshed, and turned out to be all about persevering and grinding amidst struggling global and local economies. No doubt, in 2023 Latvian startup ecosystem had it hard: startup demographics continued to stagnate, investment numbers were the lowest since 2020, and the general sentiment at times was borderline fatigue. However, there were also victories along the way: we managed to strengthen our founder-driven culture, we learnt to cheer on the most hardworking and successful. And above all - we pushed our startup bubble into the spotlight and made it part of the economic and political agendas. For the first time ever.

Stepping into 2024, the stubborn vibe of hope is here again. 2024, I hope you are a chance for us to do more and to do better. Let's silence the never-ending-small-mind-chatter and make room for something new and pure. Let's be aware, present and kind. Let's dream in colour.

Olga Barreto Goncalves, CEO of Latvian Startup Association "Startin.LV"



Moments of the Year with Labs of Latvia



Latvian functional beverage startup H2YO has developed a unique and innovative product - beverage that provides hydration and various health benefits by combining natural ingredients such as birch sap, herbal extracts, and adaptogens. The company emphasizes the use of local and sustainable resources, sourcing birch sap from Latvian forests. H2YO aims to promote a healthy lifestyle and sustainable practices while offering consumers a refreshing and beneficial drink.

H2YO

Green technology startup Fluffy has identified an important gap in agricultural sustainability – sheep wool and bird feather waste utilization. They employ a unique method of keratin extraction, which can then be used in various industries. By repurposing a waste product, this approach contributes to the development of eco-friendly and economically viable solutions in the production of valuable materials.

Fluffy



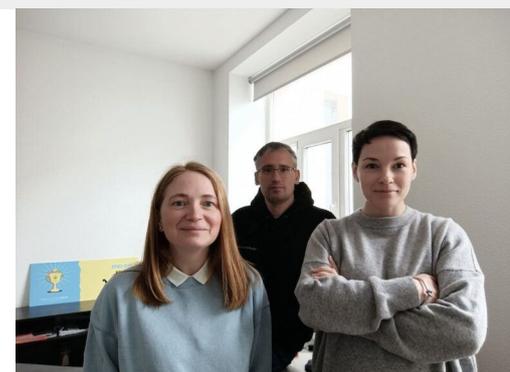
Supliful aims to help content creators by offering a platform that seamlessly integrates and manages various monetization methods, such as merchandise sales, digital products, and exclusive content subscriptions. The platform focuses on providing a user-friendly experience and customizable options to suit each creator's unique brand and audience. By streamlining the monetization process, Supliful aims to empower content creators to generate sustainable income and strengthen their relationship with their audience.

Supliful



TextOK has revolutionized the writing and editing process by offering a platform that utilizes artificial intelligence to enhance the quality of written content by providing advanced grammar and style suggestions. The tool aims to elevate the writing and editing experience, making it more efficient and accessible for users in various industries. By incorporating innovative language processing technologies, TextOK assists writers in improving the clarity, coherence, and overall effectiveness of their texts.

TextOK



Sure, this year hasn't been the best in terms of investment raised. But, at the same time, finally, we can see new and long-awaited tendencies – people with experience in well-known startups and scaleups are founding their startups. For example, ex-employees of Printful, Printify, Nordigen, Longgenesis and Lokalise, now are founders of Trace.Space, Swotzy, Fresh Club. I'm happy to see next-generation startup founders coming into the ecosystem, and I'm sure we will see this tendency more and more in the future. Also, we can see deeptech startups attracting generous grants from European Union programs, for example, Naco Technologies and Aeronos.

Anda Asere, editor of Labs of Latvia

At the end of 2023, Startin.LV startup database had **449 Latvian startups**. Here is a glimpse of who they are:

Public version of database can be accessed [HERE](#)

Business model

217
dedicated
B2B startups

85
dedicated
B2C startups

147
other and mixed
business models

Product type

121
startups create
**hardware or other
physical products**

267
startups create
software

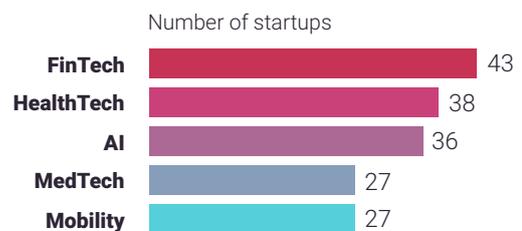
61
startups create
**software-enabled
hardware**

Top cities with most startups

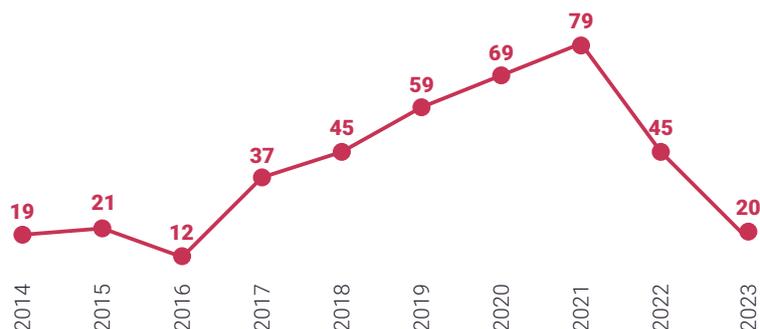


...and other Cities

Top 5 startup verticals



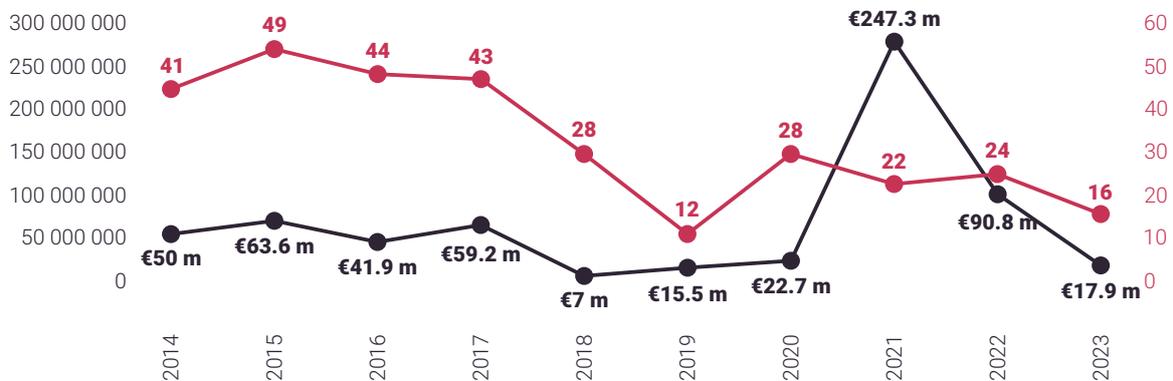
Number of startups registered in Latvia over the past 10 years*



*younger startups are less likely to already be identified

Investment Outlook

Funding raised by Latvia-based startups, € (2014-2023)



Top 3 biggest deals of 2023

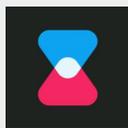
NACO
7.7M

Monetizr
3.7M

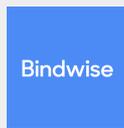
TRACE SPACE
1.5M

+2.3M
grant from
EIC!

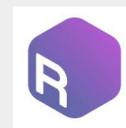
Startup exits of 2023



Timecap



Bindwise



Roibox

Startin.LV is now managing a public database on known investment deals in Latvia:

[CLICK HERE](#)

Find out more about Baltic investment landscape in this Change Ventures report:

[CLICK HERE](#)



The overall capital attracted by Latvian startups, according to publicly disclosed rounds, has dropped dramatically. However, the situation is not that bad in reality - startups in both our neighbours also attracted less investment in 2023 than 2022. There are however additional investment rounds in Latvia that are not public, so the reality is better than the data suggest - several of our successful Latvian scale-ups who are past the series A round are either profitable or have large, undisclosed rounds.

Andris K. Bērziņš,

Partner at Change Ventures, Board member of TechHub Riga, TechChill and Startin.LV

In 2022, there were a total of

3677

startup employees in Latvia,
with an average salary of

€2500

Average number of employees
by startup age group (2022)



Taxes

In total, during 2022,
Latvian startups paid

€57.2 M

to state budget.

The median payment
to state from a startup was

€6.5 thousand

13 startups paid more than
€1 M in taxes during 2022

The two ahead of the pack were:

 **PRINTFUL**

€9.1 M

 **Printify**

€6.4 M

Average payments to state amount
by startup age group (2022)



Together constituting

27%

of all payments to state!



The average salary of € 2,500 within the Latvian startup ecosystem presents an exciting proposition for young professionals and individuals seeking rewarding career opportunities. This significantly surpasses the average salary in Latvia, making the startup field an enticing option for those looking to excel in their careers.

These innovative ventures collectively paid a commendable amount of € 57.2 million into the state budget, underscoring the significant role played by startups in driving economic growth, fostering innovation, and creating employment opportunities in the country. Additionally, this substantial contribution not only sets them apart from traditional industries but also highlights their potential to reshape the business landscape and attract global attention to Latvia as a fertile ground for innovation and investment.

Arta Abāšina, Head of People Operations, Projects & Technology at GoCardless,
Board member of Startin.LV (2022-2023)

Turnover & Profit

Turnover

During 2022,
Latvian startup total turnover was

€297.1 M

With the median Turnover being
€22.5 thousand

6

startups had more than
€10 M turnover
during 2022

The two ahead of the pack were:



€78.9 M



€26.6 M

**Average turnover
by startup age group (2022)**



Together constituting

35%

of total turnover!

Profit

As a single block,
all Latvian startups in 2022 had

€9.8 M

profit,
with the median being in the red:
-€743 M

The startups that are already profitable
made a total of

€37.3 M

while those in the red
were down a total of:
-€27.5 M

Average profit after taxes by startup age group (2022)

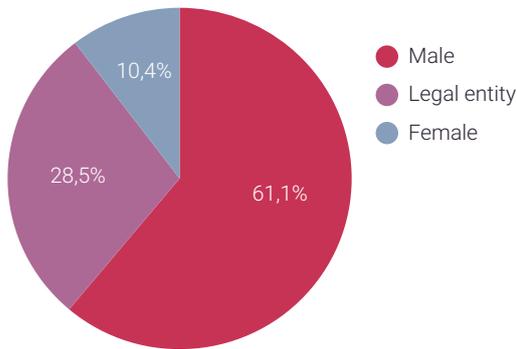


Latvia's startup ecosystem continues to grow and develop, with last year marking significant milestones. Draugiem Group has set up a Mentor Club in www.mentoruklubs.com to help future unicorns develop, and industry leaders have been working on the creation of Startup House Riga, which we see as a significant step towards the development of future success stories in Latvia.

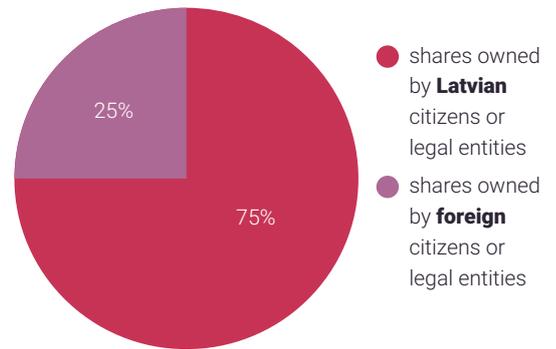
Jānis Palkavnieks, Draugiem Group Mentor Club co-founder

Shareholder Statistics

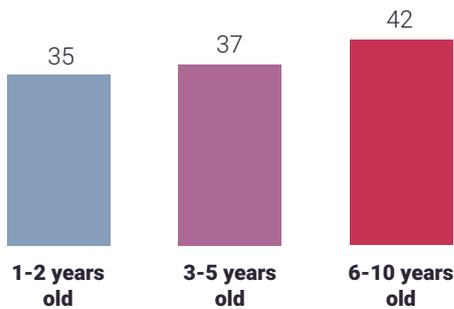
Shareholder type (major shareholders)



Startup ownership



Average Shareholder Age based on startup age group



61.60%
of startups are
**fully owned by Latvian citizens
or legal entities**

16.60%
of startups are
**fully owned by foreign citizens
or legal entities**

Women in Latvian startups



25%
of startups have
at least one
female shareholder



6.3%
of startups have
all-female
shareholders

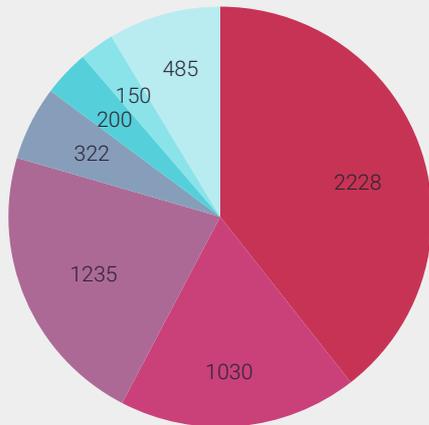


Latvian startup community is rewriting the narrative on gender diversity. The 2020 Baltic Startup Scene report by Startup Wise Guys noted that 9% of startups in Latvia have at least one female founder; and seeing that now 25% of startups have female shareholders, we're making significant strides. Proud of this progress, Riga TechGirls remains committed to fostering even greater gender balance in the startup landscape. The journey continues, and together, we're building an inclusive future for innovation.

Anna Andersone, CEO of Riga TechGirls

Latvian Startup ecosystem highlights

2023 State Support for Startups and Innovation Ecosystem, in € (thous)



- LIAA Startup Law
- LIAA Norway Grant
- LIAA Innovation ecosystem
- LIAA StartupLatvia (startup support division)
- Ministry of Economics Ecosystem organizations
- City of Riga and RITA Startup House
- RITA Various ([see page 15](#))

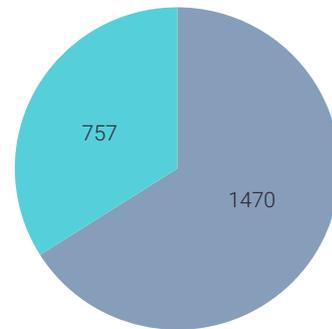
€5.5+ M in 2023

Approved Startup Law Support (2017-2023), in € (thous)



90 startups approved for Startup Law support since 2017

Startup Law 2023: Support by Type, in € (thous) and %



- 66% Tax reliefs
- 34% Talent co-funding*

* 146 highly qualified employees supported

Startup Visa Active as of 01.11.2023 for:

112 individuals
66 companies

In 2023 invest

€1.624M
in 31 startups

altum



In 2023, Swotzy maximized government subsidies, bolstering cash flow to assemble an outstanding team and successfully tackle numerous intricate projects. Key contributions included Startup Law, LIAA business incubator and export-boosting program. We are grateful for these initiatives and hope that support for Latvian startup ecosystem won't stop there!

Kristians Jenčiuss, Co-founder and COO at SWOTZY

Ignition Event #21 by Commercialization Reactor, supported by LIAA

140+

registered

60

qualified participants

9

technologies showcased

7

deeptech
teams formed

Outlook of LIAA programs in 2024

Below is the summary of LIAA programs which are and will remain the most relevant to the startups and innovation ecosystem. Find more information [HERE](#)

Program	What it offers
Startup Law <i>will continue as before</i>	Tax reliefs (flat social tax and 0% Individual income tax) and Talent co-financing (45% from the cost of highly qualified employees)
Innovation vouchers <i>will continue as before</i>	Funding for various purposes including but not limited to R&D, piloting, prototyping, industrial design, certification: <ul style="list-style-type: none"> • Introductory vouchers (up to 5,000 €) • Classic vouchers (up to 25,000 €) • Design vouchers (up to 5,000 €)
Startup visa <i>will continue as before</i>	LIAA validation of the startup business idea for the immigration purposes
Business incubators <i>will continue as before, with some program adjustments</i>	Pre-incubation and incubation services
Support for export activities <i>will continue as before, with some program adjustments</i>	Funding and support services for expansion into the foreign markets and increasing export activities
Support for process digitalization NEW	Funding for acquiring/installing IT products with a purpose to improve internal business processes, or for developing new IT products <ul style="list-style-type: none"> • up to 5,000 € with 100% co-financing rate for SMEs • up to 100,000 € with 30-60% co-financing rate for large range of legal entities



With state support which surpassed 5M EUR in 2023, Latvia is becoming stronger in the development of innovations and startups. We have proven our ability to grow, adapt to circumstances and pursue ambitious goals. With the support of the LIAA and other state organizations, we will continue to create success stories and promote the growth of startups.

Nikita Kazakevičs, Director of Innovation and Technology Department at LIAA

Investment and Development Agency of Latvia



Prototech grant program enabled Fluffy to finance our foundation, while Startup Law support lightened payroll-related taxes. An export grant allowed us to attend Oslo Innovation Week, where we developed industry connections in Norway. We hope LIAA continues offering various startup support programs and finds ways to facilitate creation of more spinoffs out of Latvian universities.

Vanda Voikiva, Co-founder and CTO at FLUFFY

Cellbox Labs has benefited from Startup Law support, participated in employee training and the Prototech program for prototype development. The support also enabled us to meet investors at various startup events. These programs have significantly contributed to the advancement of our technology and are particularly valuable for DeepTech companies with extended development timelines.



Gatis Mozolevskis, Co-founder and CEO at CELLBOX LABS



2023 was our most vigorous year so far! LIAA support contributed to opening a new office, an eco-friendly CAD/CAM lab, and a secure high-availability geo-redundant datacenter, which is vital to BirgerMind's transition to sustainable mass production. We participated in international business missions, exhibitions and contests, and established partnerships in Portugal, Italy, Hungary, Scandinavian countries and UK.

Juris Klonovs, Founder and CEO at BIRGERMIND

LIAA goes DEEPTECH

In 2023, LIAA directed great effort to supporting the deeptech ecosystem, with a particular focus on RIS-3 industries: 1) Knowledge-intensive bio-economy; 2) Biomedicine, medical technologies and bio-pharmacy; 3) Smart materials, technologies and engineering systems; 4) Smart energy; 5) Information and communication technologies.

Deep Tech Atelier - Baltics' largest deeptech industry event which brings together entrepreneurs, scientists and technology developers, investors, government, and public organizations. The two-day conference offers outstanding international speakers, pitch sessions, a large EXPO zone, and excellent networking opportunities at B2B sessions.

1000+
participants

175
speakers
from 10 countries

44
deeptech
startups

10+
side-events

338
b2b meetings

Let's meet at **Deep Tech Atelier 2024** May 16-17

Why Riga need Startups?

Riga provides a favorable environment for startups to ensure the city's growth and economic development. Riga has positioned itself as a smart city of the future, thereby offering excellent working conditions and an ecosystem specifically tailored for startups. It is open to innovations and various technological advancements, attracting diverse investors and providing support through various programs to enhance the city's image for attracting new talents and workforce development. With its openness and support for startups, Riga is a competitive city for various new and creative entrepreneurs in their initial stages, thereby nurturing the city's economy.

According to Latvian Startup Association Startin.LV startup database:

Of all the startups in Latvia...



In 2022...



Startups in Riga had
€221.1 mln Turnover
(78% of total in Latvia)



and employed
2898 people
(85% of all startup talent)

In 2023...



Startups in Riga paid
€51.4 mln in taxes
(90% of all payments to state
from Latvian startups)



and attracted
€14.7 mln investment
(82% of publicly known startup investment)



Startups are like an engine that can thrive and transform Riga. They not only foster economic growth and create new jobs but also bring innovation and technological development to the city. If we aim to be competitive in the global market, we need to nurture a business ecosystem where startups can freely evolve and offer new solutions, thereby creating a favorable and future-oriented environment for Riga.

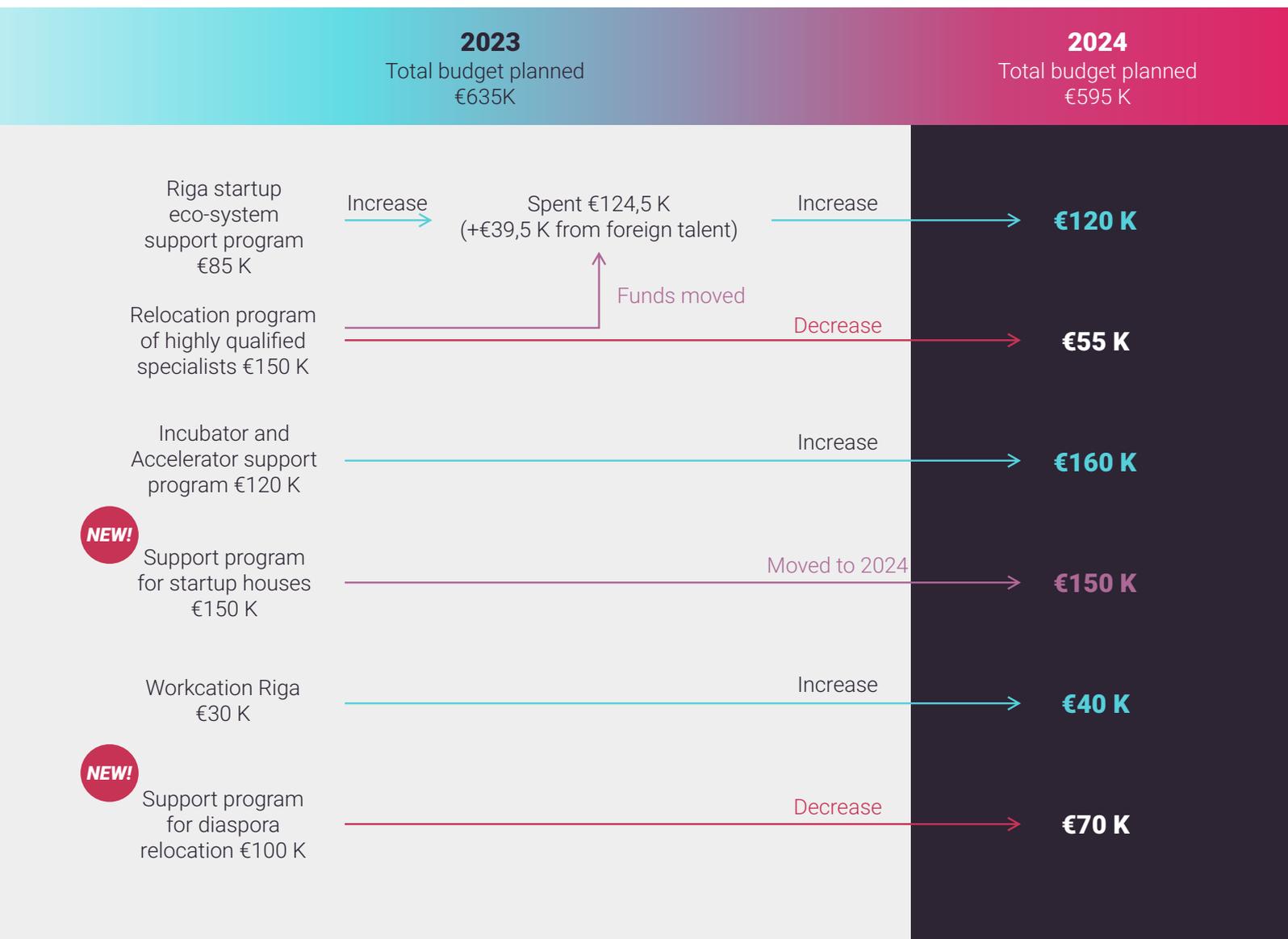
Fredis Bikovs, Director of Riga Investment and Tourism Agency

Why Startups need Riga?

Riga is an open city for innovation, growth, and rapid development. It is a place where easy connections are facilitated by its micro-mobility, technological advancements, and digitization. Situated in a favorable geographic position, Riga provides startups with excellent access to European and Northern markets. It's the arena where your practice turns into a real game until you become a global and competitive player. Riga is the space that helps you act and create, ensuring a high-value and open ecosystem for every startup by bringing together investors, mentors, and hosting various international events.

[More info](#)

Support programs by Riga Investment and Tourism Agency



In 2023 Riga has invested 635 thousand EUR and plans to invest 595 thousand EUR in 2024. The change in support is decided based on the demand from ecosystem and in close collaboration with Riga's startup memorandum members. Programs that were popular and on high demand will receive increase of funding, but for those in lower demand funding will decrease.

Investment and Tourism Agency of Riga

On December 6, 2023, the Riga City Council awarded Riga's best companies at the Small Guild. The special Riga Business Award ceremony took place for the third time, and the most successful entrepreneurs in their field have been awarded in six categories.

In Riga's Startup of the Year category, the nominations were - **Aerones Engineering**, **NACO Technologies**, and **Giraffe360** - with Aerones celebrating the win. Additionally, **Cellbox Labs** took home the prize for Riga's Entrepreneur of the Year in the Biomedicine Sector.

[Read more](#)

Some of the projects implemented with Riga Investment and Tourism Agency support in 2023 include



TechChill 2023



Startup Day & Startup Awards 2023 by Startin.LV



Startup BBQ by TechHub Riga



Spring UP accelerator by Riga TechGirls



VC in Town: Riga Edition series by Startin.LV

...and many others!

VC in Town: Riga Edition - organized by Startin.LV, supported by RITA

A total of

4

matchmaking events took place, matching Venture Capital with Startups

40+

startups

10

Vcs participated

93

matchmaking sessions total



Trind Ventures' team had a great time last autumn participating in the "VC in Town" event in Riga. We met many promising startups, some of whom we are still in touch with! Furthermore, engaging with various ecosystem members has introduced us to even more opportunities in Latvia. Overall, the visit to Riga, with its lovely old town and many parks, was not only delightful but also proved very valuable for our fund.

Liis Hiie, Investment Associate at TRIND VC

Riga - the place for your new beginning in a secure environment.

Commercialization Reactor

For 15 years Commercialization Reactor has been established as a startup creation platform and engine, enabling the birth of innovative science-based start-ups. The core philosophy is to focus on the nature of talent and their strongest sides, i.e. bringing Academic Talent to co-create ventures with Entrepreneurial-minded individuals of various non-technical backgrounds. Cooperating with numerous Universities and Business communities across the globe CR has proven it's proprietary method by creating over 140 Deep Tech Startup Teams that are valorizing science of various Universities and Research & Development centers.

2023 Achievement

- ★ CR's "Deep Tech Creation-to-Capital Cycle" program was awarded first place by the EIT's Deep Tech Talent Training Initiative as the best deep tech program in Europe.
- ★ Organized 2 deep-tech training cycles for scientists & entrepreneurs, training close to 100 deep tech talents, and 2 Ignition Events where 15 new deep tech teams were born.
- ★ Continuing a 5-year partnership with LIAA, successfully organized the largest deep tech conference in the Baltics - Deep Tech Atelier 2023.
- ★ CR Fund's Ilona Gulchak and Ella Kalnina recognized in the "Top 100 Women in VC in CEE" by Vestbee.

Achievements since 2009

During 22 Ignition Events:

170+

international scientific groups from...

30+

universities & research centres

were offered the opportunity to be commercialized

During 21 support programs:

145+

teams formed and...

50+

became investor-backed active startups

which received training & guidance

Startups born in Commercialization Reactor have attracted more than

€16 million in early-stage investments & grants

Portfolio highlights with recent success



EIT Jumpstarter 2023
Grand Final, winner
of the Digital category



Baltic Sustainability Awards,
winner of the Climate
Innovation category



Unveiled prototype of
a revolutionary heart valve,
finalists at EIT Jumpstarter.



Recommended by NASA ILRS
for its time tagging devices
to be used in SLR Stations.

New activity planned in 2024:

- On May 16-17, CR, continuing its partnership with LIAA, will organize the largest deep-tech conference in Baltics – Deep Tech Atelier 2024. You are invited! **Register now!**
- Continuing the "Deep Tech Creation-to-Capital Cycle", another edition of "Cutting Edge Entrepreneurship Program" will be held for scientists and entrepreneurs to explore the domain of deep tech startup creation.
Pre-register now: **Entrepreneurs** **Scientists**
- European Space Agency has approved CR's candidature to be the lead partner of ESA BIC Latvia, expected to start operations in early 2024, with the aim to help start-ups who work in the field of space or have relevant ideas to develop into commercially viable businesses.

Want to cooperate? Reach out!

BADideas.fund is an angel investor syndicate investing €50-€150K tickets in post-MVP startups in CEE

In 2023,
BADideas.fund made

11

investments -
deploying more than €1.5 mln

The total deployed investment
reached

€2.4mln

in 18 companies,
of which 6 are Latvian

Community investor base
grew to over

200

out of whom over 150 are actively
investing through BADideas.fund

Portfolio highlights:



CPG marketplace
for creators



Wordless search
for ecommerce



AI enabled voice cloning
technology

Case Study - Fundraising School

As part of our ethos to always be helpful for founders and level up the CEE startup ecosystem, in partnership with LIAA we organized a 6-week online bootcamp in fall 2023, aimed at preparing founders for their fundraising journey, which culminated in investor speed-dating sessions at the beginning of November.

Over a third of participants received investor invitations for follow-up conversations, 2 participants were invited to take part in accelerator programs and 1 participant started early acquisition conversations as a direct result of Fundraising School.

100+

applicants

84

successfully completed
the program
and pitched to...

40

investors representing such esteemed funds as Inventure, Practica Capital, 500 Startups, Change Ventures, and more - collectively with over \$700 mln of funds under management.



I want to see the Baltic startup scene flourish, and I feel like I can give more to the ecosystem through angel investing and supporting founders. I know the pains they have to go through all too well. At the same time, angel investing is time consuming and takes time & practice to really get good at it, so being able to leverage a community like BADideas.fund helps me see more investment opportunities, support founders with advice, and continuously learn about investing and the tech world.

Roberts Bernāns, co-founder at Nordigen, VP of Connectivity at GoCardless

Latvian Blockchain development association (LBAA)

LBAA is a non-profit organization that unites blockchain industry specialists since 2017. LBAA actively promotes the integration of blockchain technology into the economy of Latvia.

The association works in three major directions- 1. Community building. 2. State institution relationships, education and lobby. 3. International partnerships.

Current Mission: Latvia becomes a major Web 3 hub in the European Union.

During 2023:



Number of members grew from 5 to 18



The association organized over 30 meetings and educative seminars for state institutions about blockchain technology



Co-Organized Riga Com23, Ecom21, LAMPA and 14 other events



Explosive social media activity - spreading the word about Latvian blockchain ecosystem reaching 1.5 mln engagements

Helped with 2 industry research papers about the blockchain ecosystem:

- Prof. Gundars Bērziņš, Prof. Jānis Priede, "Eiropas Savienības vienota kryptoaktīvu regulējuma MiCA ieviešanas potenciālās ekonomiskās ietekmes novērtējums Latvijas tirgum", University of Latvia, March 2023 [Read here](#)
- [Fintech Pulse 2023](#)

Major legislation initiatives:



Successful adoption of MiCA regulation



Enabling fintech companies to open bank accounts, keep reserves and access SEPA payments system with the Bank of Latvia



Enabling companies to pay share capital of the company and pay taxes with crypto currencies



2024 marks a significant year for blockchain companies around the World. The Parliament of the EU have adopted a comprehensive set of rules under which cryptocurrency companies can register in one of the EU countries and freely conduct their business across all the EU. Thus MiCA regulation puts an end to speculation of cryptocurrency related business illegitimacy concerns and offers a great opportunity for Latvia to become a regional leader in this sector.

Martins Puke, LBAA Board Member, CLO at Gravity Team

Latvian Digital Health Association

Latvian Digital Health Association is an organization of startups, healthcare professionals and corporates working in the healthcare field in Latvia - fostering an ecosystem that contributes to the efficiency and sustainability of healthcare through digital solutions.

2023 Key Accomplishments



8

new members,
reaching 30 total



12

meetings
with key healthcare
organizations

Nation-wide Digital Health Strategy:

Close cooperation with the Ministry of Health to improve and adapt the nation-wide Latvian digital health strategy. This strategy outlines the government's goals and objectives for the development of digital health in the country, with Latvian Digital Health Association making sure it is aligned with needs of the healthcare sector.

Digital Health Side Event at Techchill:

Latvian Digital Health Association organized a successful Digital Health side event at Techchill, one of the largest technology conferences in the Baltic region. The event brought together over 100 attendees from various sectors to showcase the latest digital health innovations and discuss the future of healthcare in Latvia.

Glimpse of the future

More events - continuing to organize events that bring together stakeholders to network, share ideas, and showcase innovation.

More lobbying - strengthening the collaboration with the Ministry of Health and the National Health Service as more money flows towards adapting digital health innovations.

More interoperability - advocating for the development of health data exchange standards and common nation-wide health data terminology.



We are confident that the next year will be even more prosperous and fruitful for the Latvian Digital Health Association. We remain committed to working with our members, partners, and stakeholders to create a future where digital health solutions improve the lives for people in Latvia and beyond.

Kristaps Krafte, CEO of Vigo Health, Head of the Board at Latvian Digital Health Association

Fintech Latvia Association

The aim of the Association is to unite the providers of financial services of the fintech sector in order to ensure the representation and implementation of their interests at the national and international level, promoting sustainable development and growth of the Latvian financial sector.

2023 Highlights:

Fintech Breakfast

Orchestrated 6 enriching Fintech Breakfast events, fostering a space for dynamic dialogue among ecosystem members and decision-makers.

Fintech Pulse

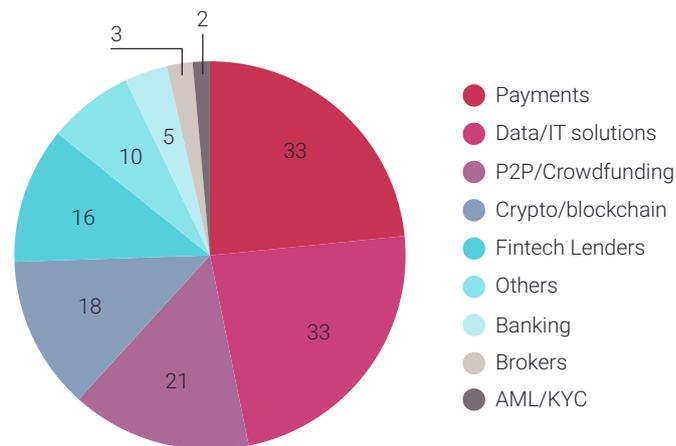
Release of its second industry report, "Fintech Pulse 2023"

Fintech Academy

Organizing a new educational course, "Fintech Board Members Academy: Empowering Excellence" for which the first iteration launched January 2024

According to Fintech Pulse 2023:

There are 141 FinTech companies in Latvia, split into 9 subcategories:



In 2023, Fintech Latvia Association has proven its commitment to effectively bridge innovation and regulation, emerging as a robust force propelling the Latvian fintech sector forward. We are happy to see the industry blossom, as the Bank of Latvia has given the green light to start implementing all the processes and practicalities in place to enable non-bank payment service providers, E-money institutions, and in the near future, even crypto asset service providers, to open accounts directly with the Central Bank for the secure management of customer funds as well as accessing SEPA.

This is a great example of how the cooperation between regulators, policy makers and industry can bring growth and development. Meanwhile we carry on working on improving local crowdfunding regulations & several instances in participating in dialogue in relation to regulation affecting the Digital lending industry.

Tina Lūse, Managing Director of Fintech Latvia Association

Latvian Private Equity and Venture Capital Association

Latvian Private Equity and Venture Capital Association (LVCA) is the representative body of Latvia's Private Equity & Venture Capital Industry. LVCA unites most local Venture Capital industry participants and is deeply involved in collaboration with representatives from other European countries.

2023 highlight activities:



Celebrating success and promoting knowledge and experience sharing of local investors during annual The investor of the Year 2022 ceremony

www.gadainvestors.lv



Annual statistics gathering and releasing – Baltic Private Equity and Venture Capital Market Overview 2022

www.balticpevcmarket.com



Gathering investors from the whole Baltic and Nordic region at the annual Baltic VCA Summit 2022

www.balticvcasummit.com



Improvement of local VC funds regulation, for example, achieving inclusion of a specific section regarding VC funds in the Latvian Bank AML handbook

www.bank.lv



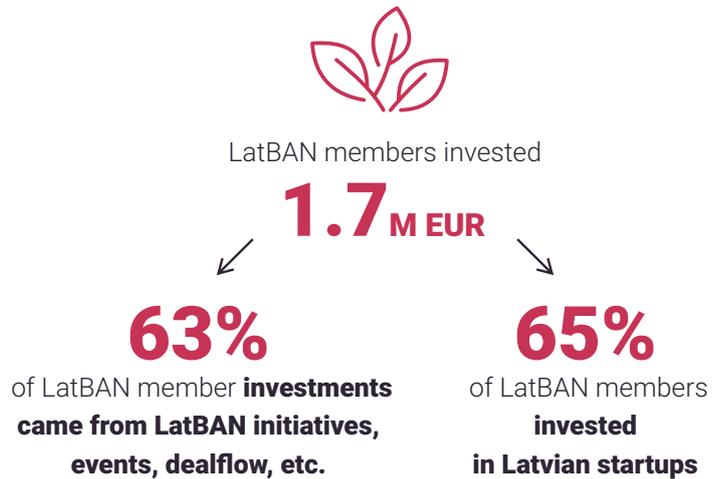
Two things regarding the Venture Capital industry in Latvia were remarkable in 2023. ALTUM announced long-awaited tenders to support the funds investing in the earliest and, thus, the riskiest stages of start-ups. The second testifying about the industry's maturation is the increasing amount of VC investments from local private (publicly not supported) funds.

Matīss Neimanis, LVCA board member and Buildit Latvia partner

Latvian Business Angels Network

Latvian Business Angels Network (LatBAN) is a community of angel investors and business professionals who make investments in startups with exceptional growth potential. Ex-business owners and other curious, experienced professionals support founders of innovative projects in Latvia and abroad with their expertise, time, and money.

In 2023:



LatBAN held and participated in **21** events with the average event having 24 participants

11 events were pitch sessions which gathered **62** startups from various industries

2023 Highlights:

- Participation in Liepaja Summer Un-Rest event, where LatBAN co-organized 3 different activities for the local Liepaja ecosystem.
- The UniLab program, educating the next generation of entrepreneurs about startup funding, and hosting angel investor and founder "speed dating" - to provide much needed feedback for their businesses.
- LatBAN organized 4-part angel training course, to provide more insights into angel investing, startup evaluation, due diligence and investment strategy. The course gathered more than 55 people.



Reflecting on 2023, I'm filled with immense pride for LatBAN's journey! Our near doubling in size is just the first step of reshaping the Latvian early-stage venture investment community to build a strong, robust, and educated fellowship of angel investors. As we prepare to welcome our 100th member in 2024, we also expect to double the number of Latvian startups we invest in.

Cyril Golub, LatBAN Chairman of the Board

The first community in Latvia dedicated to educating and inspiring girls & women about technology.



In 2023, Riga TechGirls achieved significant milestones in promoting gender diversity and tech empowerment globally. We have participated in events in the US, India, Belgium, and Switzerland, as well as facilitating girls' visits to CERN. We conducted programs like "Digital Skills for Healthcare Professionals" and "Work in Tech" - training several hundred women in tech-focused disciplines. These achievements reinforce our commitment to empowering women in technology and fostering inclusive innovation worldwide.

Anna Andersone, CEO of Riga TechGirls

2023 Highlights

By the end of 2023, the **"Discover Tech" program** has attracted

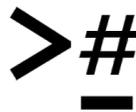
4 950
participants

40
countries

21 857
participants
in four years of operation



"Female Founders Across Borders"
supported
30 female entrepreneurs
in Latvia and Uzbekistan



Expanded collaborations to launch
the "STEM School for Girls" program
in South Africa and Cameroon,
impacting over 100 girls



The "Digital ABCs" program
engaged participants from
87 countries

During Riga TechGirls 7th anniversary, hosted the successful **"Women in Tech Hackathon"**

127
participants

from
15
countries

formed
15
teams

SpringUp

SpringUp inclusive startup
pre-acceleration program **enrolled**
19 startup teams in the first phase
of the program,
continuing in 2024

Inclusive Startuppreneurship

Organizing the
"Inclusive Startuppreneurship"
five-week practical hands-on
course **as a part of**
ESI Student Innovation program

Female Founders Lunch

"Female Founders Lunch" -
a monthly gathering of ambitious,
passionate, and determined founders
and future founders -
has had more than 100 participants

Riga Technical University Science & Innovation Centre

The RTU Science and Innovation Centre's primary objective is to cultivate the development of sustainable innovations, facilitate their integration into both the knowledge-based economy and the social sphere, and enhance Latvia's competitiveness within the global innovation landscape.

2023 Highlights

- ★ World Record on the biggest brainstorming session - **1217 participants**
- ★ **Students built a high-power rocket** that reached a height of over 1.9 km and flew at a speed of around 1,000 km/h, firing both parachutes and landing

Innovation ecosystem support:

EIT Food, RawMaterials, and Urban Mobility engaged over 100 researchers and 33 start-ups in more than 13 organized activities

Innovations

Hosted Latvia's first innovation ecosystem summit "Innovate360" - with 8 key speakers from 5 countries, and 129 participants

Innovate360

2 startups were presented with the special 'Deep Water' award at the first Latvian Startup Awards

New innovators support:

The Student Innovation Grants offered **8 different innovation support programs** for students from different Latvia's universities

250

new innovators supported with scholarships

at least **43**

teams got further support from external acceleration programs

development of **43**

prototypes supported

more than **140**

future startup founders engaged

helping to create **43**

teams of innovators

Technology transfer support:

12

intellectual properties developed and commercialised

19

new patents submitted

Launched the IMPACT Acceleration program in cooperation with partners from Ireland and Italy - **7 active science-based ideas** from RTU will be developed in 2024

Prototyping and product development services:

16

new prototype products developed - helping startups, companies, scientists, and innovators bring their ideas to life

More than **200**

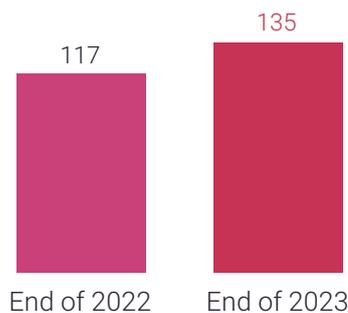
prototypes created by students in the open-type workshop theLAB



Latvian Startup Association Startin.LV

Startin.LV is a non-profit non-government organization, established in 2016 in a grassroots movement to unite the voices of the Latvian startups, develop the startup community and facilitate mutual understanding within the startup environment.

Members



In 2023, Startin.LV organized 26 events

In-person events had

800+
attendees

10 EVENTS

were knowledge webinars

The BIG ONE -
inaugural **Latvian Startup Awards**
[\(see more on page 29\)](#)

Additionally:

Startin.LV spent

230+

hours in business meetings

voiced ecosystem needs

96

times to government and media

added to member package

14

new and juicy perks

and created **LEARN** section on the Startin.LV website, with:



Blog articles
about startups



Webinars and
other event recordings



Informative
reading materials



Relevant
ecosystem reports



Legal document
templates

Ongoing projects:

Digital Explorers II

Together with **OSMOS** (Lithuania) and **ESTDEV** (Estonia), Startin.LV commenced implementation of its first EU-financed project, Digital Explorers II. The goal is to bridge talent needs between the Baltics and three partner-countries: Kenya, Nigeria and Armenia.

Healthcare innovation article series in cooperation with Medicus Bonus

In 2023 - 6 articles about Latvian startups in the field of healthcare: Medon, Birgermind, Cellbox Labs, Longenesis, PrintyMed and Nutrameg.

Published both on Startin.LV blog

HERE

and in the physical magazine for Latvian doctors, Medicus Bonus

HERE

VEFRESH is an NGO that implements incubation and acceleration programs to help newly established start-ups and existing companies to develop, deploy, and scale up their innovative solutions to improve the urban environment.

CityToSea Accelerator

Support program for the development of innovative and sustainable solutions, focusing on two key themes: mobility and water. Partnership with RTU ZIC and LIAA.

Applications: 47 teams from 18 countries

Selected teams: 14

Total support: €168 000

Urban Mobility Incubator

9-week program where participants have the opportunity to deploy their prototypes in the urban environment of Riga.

Applications: 29 teams from various EU countries

Participating teams: 5 teams representing Latvia, Estonia, Poland and Spain

Prize fund: €15 000 + €3 000 bonus

Hackathon about urban mobility

Urban mobility hackathon, where EIT Urban Mobility, RTU ZIC and LMT provides challenges for teams from across Europe.

Applications: 50 participants

Participating from: Participating teams: 12 teams representing Spain, Ukraine, Latvia, and Turkey

Prize fund: €10 000

Accelerate2MOVE accelerator

Thematic accelerator focusing on advanced technologies that can contribute to sustainable urban mobility.

Applications: 39 start-ups from 20 European countries

Selected startups: 12

5 out of 12 selected start-ups have a female CEO or female founder.

Example pilot projects

Nimbee



VEFRESH collaborated with Nimble Energy, a Czech Republic-based startup, to test B2B case for on-demand EV charging service known as Nimbee. The pilot project successfully took place in Riga, executed in partnership with Ox Drive.

SimpleCharge



Collaboration with SimpleCharge, a Latvian startup that created EV charging solution that utilizes light poles. This charging system was piloted not only in Latvia but also in Estonia, Croatia, and various other European countries.



At VEFRESH, we believe in creating technologies that drive us towards healthier cities and contribute to the formation of local value chains. To make this a reality we foster the creation and advancement of innovations by providing steadfast support to start-ups and ambitious ideas.

Viesturs Celmiņš, VEFRESH managing director

Wrap
up
—

Latvian Startup Awards 2023 Retrospect

In September of 2023, after a full Startup Day conference, the inaugural Latvian Startup Awards ceremony took place - organized by Startin.LV.

8
winners

108
applications

72
startups
and founders

3
panel
discussions

4
fireside chats
took place
during Startup Day

the recordings
can be watched

[HERE](#)

Latvian Startup awards winners

BREAKTHROUGH



NEWCOMER



SCALEUP



IMPACT



HARDWARE



DIGITAL



COMMUNITY CHOICE



FOUNDER-HERO



Artis Kehris

[More info here](#)



Today's awarded companies are a vivid example of the fact that we do not lack ambitions to change Latvia. The ideas of start-ups change the way industries work and develop innovations. Latvia needs economic changes, and start-ups must be a part of them.

Edgars Rinkēvičs, President of Latvia (award ceremony speech)

Latvian Startup Awards will continue in 2024... stay tuned!

Follow us on:



10 Startin.LV Members to Watch

Staying closely connected with startups around the clock gives us an inside track on information not widely known to the public. This includes things like recent funding amounts and significant developments. While we value discretion, we enjoy sharing insights. We're excited to present a carefully curated list of promising startups to keep an eye on this year. These are the ones making notable strides in their industries, and we think you'll find them interesting.



AlgaeTree

Microalgae-based air quality improvement device that absorbs CO2 from the room, releases oxygen, and manages humidity.



Bruntor

Cargo scooters for the last mile deliveries and electric offroad boards for extreme sports lovers.

Cellbox Labs

Cellbox Labs

Organs on a chip that are miniature organ replicas outside human body – for personalized medicine and animal-free pharmaceutical testing.



Husky Sense

Smart Wearable Technology to ease movement analysis and recording in real-time across various platforms and use cases.



Nutrameg

Patented and science-based nutrition technology for weight management and fitness used by millions of people worldwide.



PrintyMed

Artificial spider silk for medical devices and 3D bioprinting, for example - heart valves.



Sorsera

Collaboration platform for companies involved in tendering, helping them win tenders on the first collaborative tender network in the EU.



SUBmerge Baltic

Remotely operated and autonomous underwater drones for underwater inspection and more.



Swotzy

A simplified shipping tool to help eCommerce merchants optimize their operations by always using the best fit carrier.



Trace.Space

Collaborative product development tool serving teams building the most innovative and complex integrated systems.

Methodology & Supporters

The core sample in the analysis consists of 449 Latvian startups identified by the Latvian Startup Association Startin.LV. Individual data sets for specific statistics vary slightly based on data availability, such as whether:

- the legal name of the startup has been confirmed,
 - the startup has submitted their annual report for 2022 (which some have not yet done as of the start of January 2024, and would not be the case for startups incorporated in 2023),
 - the startup has dedicated legal status and isn't still in a state of spin-off where it's a part of the parent company.
- The data is obtained for Latvian-registered companies only and does not include information on any foreign subsidiaries/parent companies.
 - Startup employee average salary was calculated based on these variables: Startup employee count, personal income tax and social insurance payments paid by startups; the result was adjusted to the amount of Startup Law tax relief benefits
 - The data on Investments (page 6) is gathered and validated by Startin.LV from public sources such as official press releases and media publications. Any knowledge Startin.LV has about deals still kept private is not included. Investment figures exclude debt or other non-equity funding, lending capital, grants, and ICOs.
 - All data included in pages from Ecosystem Partners (pages 10-25) is provided to the report by the respective organization (with the exception of Riga-specific startup ecosystem data on page 13, and Startin.LV highlights on page 24) and has not been independently validated by Startin.LV. Other data sources include Lursoft, Register of Enterprises, and State Revenue Service.

Big Thanks to:



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