

# Baltic Private Equity and Venture Capital Market Overview

2024

**Executive summary**

# Foreword



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Head of M&A



The KPMG Baltics Deals team and the Baltic VCAs are pleased to present the Baltic Private Equity and Venture Capital Market Overview 2024. Now in its sixth year—and the third in collaboration with KPMG Baltics—this report continues to track key developments across the region’s PE/VC landscape.

In a milestone shift, 2024 was the first year where most (70%) of capital raised by Baltic fund managers came from outside the region, with 54% originating from beyond the EU—mainly North America. Over the long term (2019–2024), Baltic LPs have provided 47.2% of total capital raised.

Investment into local companies remained solid, with over 230 transactions—broadly in line with 2021 and 2022, though 20% lower year-on-year due to 2023’s exceptional volume. Total invested capital in 2024 fell to €151 million, driven by a decline in larger PE deals, with average deal size down to €0.65 million. However, cumulative investment into Baltic-based companies (since 2019) has now surpassed €1 billion.

The market shifted towards earlier-stage activity: early-stage VC made up over 35% of total investments, while

growth-stage volumes rose 15% year-on-year. Buyout activity declined.

Outbound investments reached a record €173 million—53% of total capital deployed—highlighting Baltic managers’ growing global reach.

Dry powder stood at €1.08 billion at year-end, with early-stage VC funds holding the majority (€801 million), suggesting continued momentum in that segment, while in the PE space we may see more fundraising coming up.

Exit activity remained subdued but saw a rebound in trade sales. Notably, there were no secondary PE exits for the first time since 2017.

While 2024 presented a number of challenges, the outlook for 2025 is cautiously optimistic, with many fund managers anticipating improvements in both fundraising and investment activity.

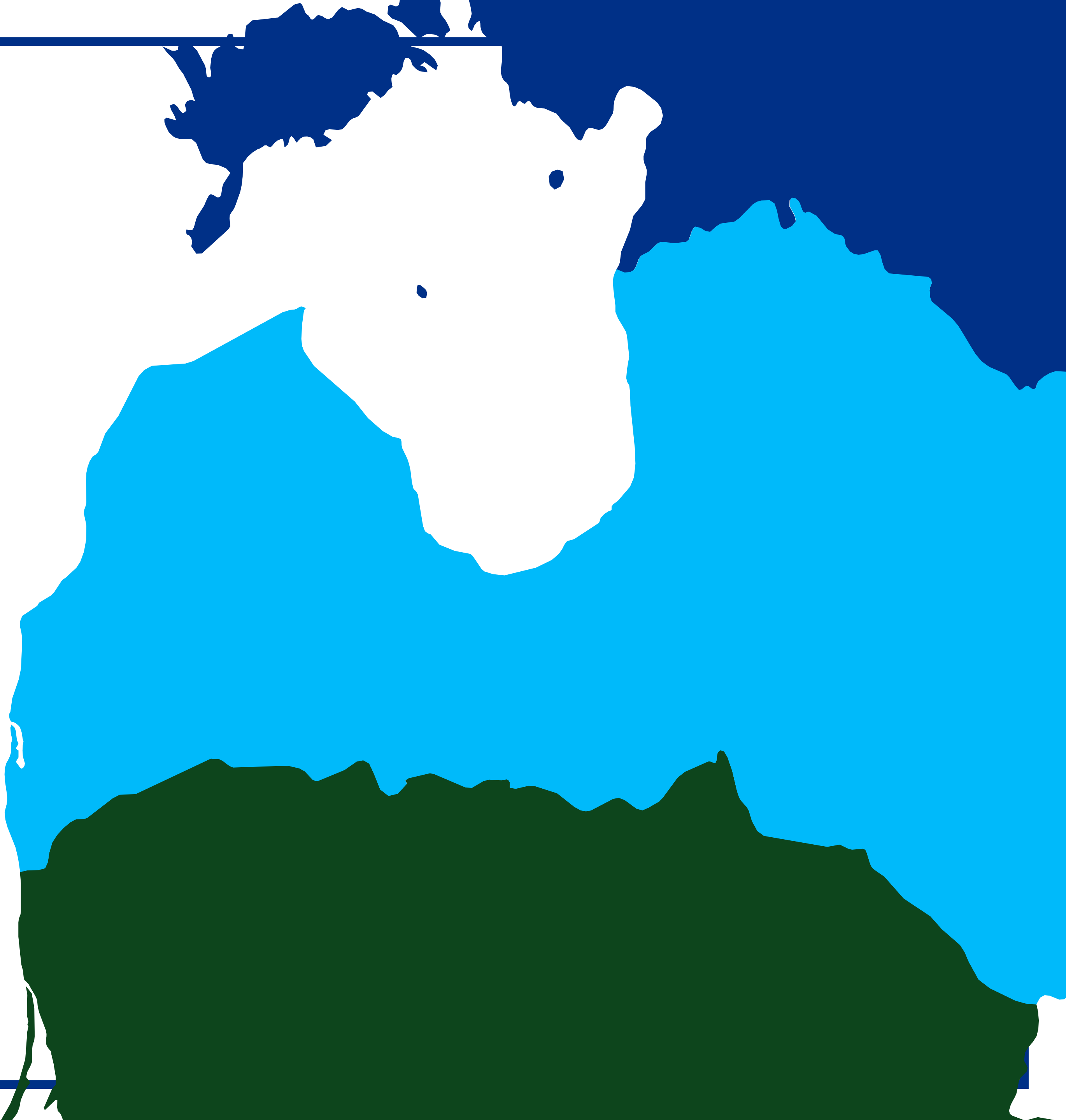
We hope this report provides valuable insight into the state and direction of the Baltic PE/VC market.

The scope of this report is data collected from Baltic-based Private Equity and Venture Capital funds. It includes data from funds that are members of the Baltic VCAs or have significant presence/direct link (Baltic founding partner) to the Baltics.

# Baltic Market Highlights

## Highlights in numbers

3.77B EUR	raised since 2010
265M EUR	raised in 2024
1.08B EUR	dry powder as at the end of 2024
233 deals	involving Baltic companies in 2024
151M EUR	amount invested into Baltic companies in 2024
97 investments	outside of the Baltics in 2024
173 M EUR	outbound investments in 2024
106 active funds	as at end of 2024



# Baltic Investor Universe

NEW

New includes fund managers which may have been operating for a longer period, but shared their data for the first time.

Early ventures

Buyout

Mezzanine

Growth investments

Infrastructure & real assets

Late ventures

TERA VENTURES  
specialist<sup>VC</sup>

TRIND<sup>VC</sup>  
COMMERCIALIZATION REACTOR

OVERKILL VENTURES  
firstpick  
Iron Wolf Capital  
Practica Capital

70V  
opencircle capital  
STARTUP WISE GUYS  
BSV  
SMARTCAP  
KRIEGER RISIKOKAPITAL

SUPERANGEL  
EXPANSION CAPITAL  
Contrarian Ventures  
Plural

CAPITALIA  
Buildit  
aneli capital  
ASP ASSET MANAGEMENT  
BAD ideas.fund  
UnitedAngelsVC

CHANGE VENTURES  
BACKING AMBITIOUS BALTIC FOUNDERS  
COINVEST CAPITAL  
IMPRIMATUR CAPITAL  
2°C Ventures  
karma.vc

BPM  
FLYCAP  
INL  
Nter

SOUND

FLYCAP  
EQUITY UNITED  
EQUITE  
Nter  
I Asset Management

LIVONIA PARTNERS  
NEW  
Raft Capital  
LITCAPITAL  
NEW  
ZABOLIS PARTNERS

Merito  
ZGI CAPITAL

BaltCap  
INL  
LIVONIA PARTNERS

BaltCap  
Merito  
INL  
envolve capital  
NEW  
AJ POWER

SIENA 2NDARY  
EXPANSION CAPITAL  
BaltCap  
NordicNinja  
by 38 Nordic Ventures  
BaltCap



# Baltic VCAs commentary

## Estonia



In 2024, Baltic funds invested €44 million into Estonian companies across 80 transactions. While slightly below 2023 levels, overall activity remained stable. VC funds contributed 57% of the total, with ICT attracting 78% of capital invested.

Fundraising by Estonian-linked managers continued, though all new funds launched had pan-Baltic or broader mandates. Estonian investors contributed 14% of the total capital raised by Baltic fund managers, with increased involvement from family offices.

Exit activity was limited, with divestments totaling €5 million, as many investors held off commencing exit processes amid market uncertainty.

Still, there is cautious optimism for 2025, supported by available dry powder and improving market sentiment.

## Latvia



In 2024, Baltic funds invested €38 million in Latvian companies—the second-highest annual total on record, though below the 2023 peak—with growth investment funds driving activity and accounting for 43% of the total invested amount

2024 saw fewer early-stage deals as most of the local funds completed their investment periods. Four new funds are launching soon—expect a investment surge in 2025.

Divestment activity declined sharply, with exit value at cost dropping to the lowest in recent history. Those who can wait are anticipating better conditions in upcoming years to execute exits. Though 2024 was marked by challenges, the outlook for 2025 carries a sense of cautious optimism among fund managers.

## Lithuania



Lithuania’s PE/VC Market Shows Maturity Amid Uncertainty.

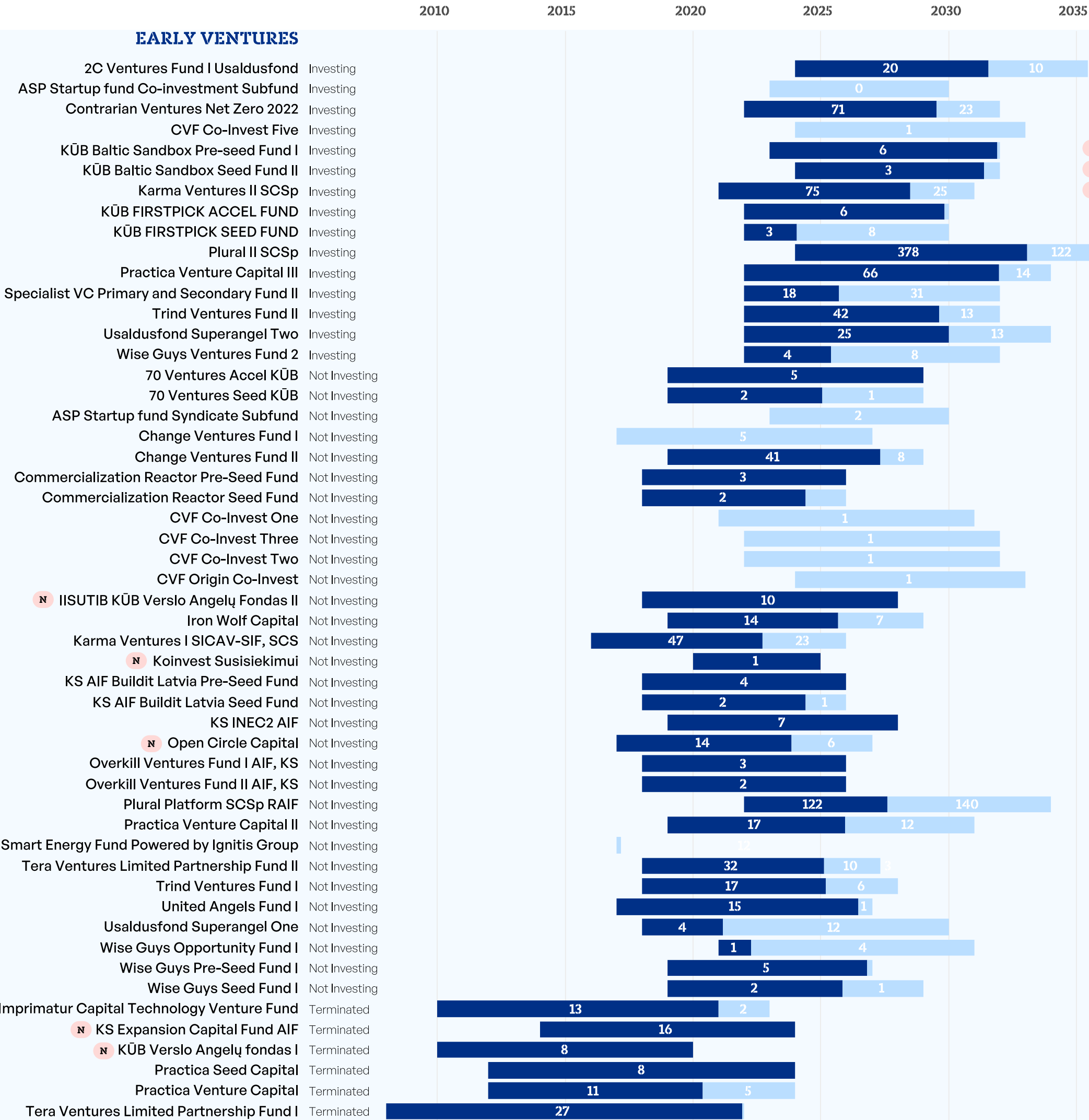
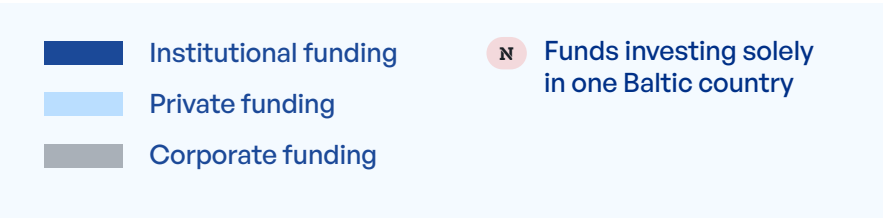
In 2024, Baltic PE/VC funds invested €55 million into Lithuanian companies across 63 transactions—the highest among the Baltic states. Infrastructure investors led the way, accounting for 51% of total capital deployed, which made energy and environment the top-funded sector of the year.

From 2019 to 2024, Lithuanian limited partners contributed €613 million—22% of all capital raised by Baltic PE/VC funds investing in the country—underlining the growing role of domestic capital in shaping the region’s investment landscape.Despite geopolitical challenges, Lithuania’s venture capital and private equity market demonstrated strong progress in 2024. It was the only Baltic country to increase divestment activity, with exit value rising 42% year-over-year to €30 million.

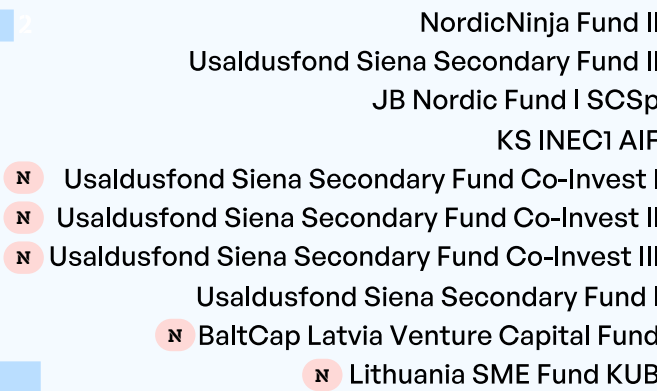
# Landscape of PE/VC funds that invest in the Baltics

as at 31st December 2024

Funds raised by funding source and fund period (vintage and termination year), EUR M<sup>1</sup>



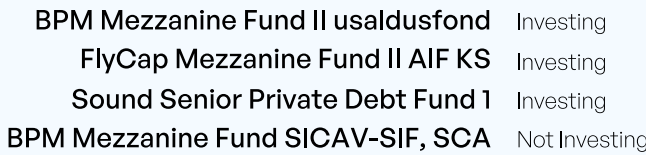
**LATE VENTURES**



**GROWTH INVESTMENTS**



**MEZZANINE**



**BUYOUT**



**INFRASTRUCTURE & REAL ASSETS**



<sup>1</sup>Excludes evergreen funds.Excludes funds which have not fundraised or disclosed fundraising. Note fundraising is similar across Baltics, Estonia, Latvia and Lithuania. Please see methodology section for further information.

**Methodology**



# Methodology

## Scope of the Market Overview

The Baltic Private Equity and Venture Capital Market Overview 2024 (“Report”) was collaboratively developed by the Estonian Private Equity and Venture Capital Association (ESTVCA), Latvian Private Equity and Venture Capital Association (LVCA), Lithuanian Private Equity and Venture Capital Association (LTVCA) (collectively “VCAs”) and KPMG Baltics (“KPMG”).

Extensive data collection and analysis has enabled us to present thorough insights of the Baltic Private Equity (“PE”) and Venture Capital (“VC”) market (collectively “PE/VC”) as a whole as well as the Estonian, Latvian and Lithuanian PE/VC markets individually.

The study covers funds that are members of the Baltic VCAs or have significant presence/direct link (for example, Baltic founding partner) to the Baltics. The data was collected from the PE/VC funds as a survey, largely based on definitions and methodology prescribed by the European Data Collective. The data was not audited and KPMG cannot provide assurance to the accuracy, completeness or quality of the data. A total of 46 fund managers were included in the 2024 report as detailed below.

**THE KEY AREAS OF ANALYSIS INCLUDE:**

- Capital raised by PE/VC funds
- Investments made by PE/VC funds
- Dry powder and capital invested by PE/VC funds
- Realisation of investments previously made (“Divestments”) by PE/VC funds
- PE/VC fund views on Environmental, Social and Governance (“ESG”) matters & market sentiment

# Fund managers list

1. BaltCap; (historical data only since 2024)

2. NordicNinja; (historical data only since 2024)

3. BPM Capital;

4. Change Ventures;

5. Karma Ventures;

6. Siena Secondary Fund;

7. Superangel;

8. Specialist VC;

9. Tera Ventures;

10. Trind Ventures;

11. Startup Wise Guys;

12. Smartcap;

13. 2C Ventures;

14. Plural;

15. Equity United; (historical data only since 2023)

16. Contrarian Ventures;

17. INVL Asset Management;

18. Iron Wolf Capital;

19. LitCapital;

20. Envolve Capital (fmr. Modus Asset Management);

21. Open Circle Capital;

22. Practica Capital;

23. Firstpick;

24. Aneli Capital (fmr. Verslo Angelu Fondas);
25. 70 Ventures;

26. Equite; (historical data only since 2024)

27. Coinvest Capital; (historical data only since 2024)

28. 1 Asset Management; (historical data only since 2024)

29. Nter;

30. Baltic Sandbox Ventures;

31. Sound Asset Management;

32. Capitalia; (historical data only since 2023)

33. Buildit Latvia;

34. Commercialization Reactor;

35. Expansion Capital;

36. Fly Cap;

37. Livonia Partners;

38. Overkill Ventures;

39. ZGI Capital;

40. Merito Capital;

41. BadIdeas Fund;

42. Imprimatur Capital Fund Management; (historical data only since 2023)

43. ASP Asset Management;

44. AJ Power; new addition

45. Raft Capital; new addition

46. Zabolis and Partners. new addition

## Results & comparability

The report follows a similar methodology to last year’s report, Baltic Private Equity and Venture Capital Market Overview 2023. However, the data cannot be directly compared as there have been changes in approaches used in certain areas, changes in certain categorizations, revisions by fund managers of prior years data, as well as enhanced data collection from the funds (follow up emails for missing information from last year’s and this year’s report).

Furthermore, three new fund managers (as listed above) have been included in this year’s report with both new and historical data. Given the addition of new fund managers, which may have had historic funds, the historic numbers may have changed compared to last year’s report.

Additionally, eight fund managers did not submit data for this year’s study, meaning no updated information was available; however, their historical data has been retained. Since no commentary was provided on this historical information, some of the data presented may be outdated (for example, a fund’s portfolio company composition as some companies may have been divested).

# Methodology

## Fundraising

### **FOR THE PURPOSE OF THIS REPORT, PE/VC FUNDS ARE DEFINED AS :**

- **Companies incorporated in any legal form and in any jurisdiction**
- **Primary purpose was investing from pre-seed to buyout stage**
- **Large part of the team was located in any of the Baltic countries**
- **Can independently select investments from the market i.e. the majority of managed funds are not directly or indirectly owned by funds management**
- **Not publicly traded**

Assumptions were made regarding the classification of funds between Baltic, Estonia, Latvia and Lithuania. Fund managers were asked to indicate whether each of their funds had a fund geographic focus of ‘National’, ‘Pan-Baltics’, ‘Pan-European’ or ‘Global’. ‘National’ funds invested solely in one Baltic country. ‘Pan-Baltic’ funds invested in more than one Baltic country. ‘Pan-European’ funds invested in more than one European country. ‘Global’ funds invested in more than one country within different geographic regions.

As part of the methodological approach, it was assumed that Baltic funds included ‘Pan-European’, ‘Global’ and all ‘National’ funds as capital is deployable in the Baltics. Individual country (Estonian, Latvian, Lithuanian) funds included their respective ‘National’ funds as well as ‘Pan-Baltics’, ‘Pan-European’ and ‘Global’ funds as capital raised is not exclusive and is deployable in that individual country (in many cases capital is raised and invested cross-border in the Baltics). This explains why fundraising and capital under management are similar for the Baltics, Estonia, Latvia and Lithuania as the only difference are ‘National’ funds. If a different approach was to be used, the analysis and its outcomes would differ.

Funds were categorized into one of six fund investment stage focuses: ‘Early ventures’, ‘Late ventures’, ‘Growth investments’, ‘Mezzanine’, ‘Buyout’ or ‘Infrastructure & Real assets’ (solely real estate investment focused funds are not included in this analysis).

# Methodology

## Fundraising

**THE FUNDS LANDSCAPE GRAPH ALSO INCLUDED THE CATEGORIZATION OF FUNDS RAISED UNDER THE FOLLOWING INVESTOR CATEGORIES:**

- **Institutional funding contains:** academic institutions, government agencies, pension funds, insurance companies, fund of funds, banks, sovereign wealth funds, other asset managers, capital markets, endowment funds and foundations.
- **Inter-governmental organisations** such as EIF and similar are considered under the ‘government agencies’ category.
- **Private funding contains:** private individuals, GP commitments and family offices.
- **Corporate funding contains:** corporate investors.

## Source of funds

To ensure consistency with last year’s report, the same methodology of using vintage year as the fundraising year was adopted. Six years (2019-2024) of the cumulative fundraising graph was displayed, however, the cumulative values start from 2010, not 2019. Evergreen funds had inflows and outflows as their sources of funds.

Not all data pertaining to source of funds was provided by the funds, therefore it may not be fully representative of the true values.

## Capital under management

Total amount of capital under management is equal to capital available plus capital invested. Capital available was defined as capital currently available for investments, including amounts committed by the LPs, but not yet invested. Capital invested was defined as the amount of funds already invested (at cost) and not yet divested.

Not all data pertaining to capital under management was provided by the funds, therefore it may not be fully representative of the true values.



# Methodology

## Investments

Investments in companies by funds include direct equity, quasi equity, debt and mezzanine investments. Investments were allocated to countries by their indicated country of headquarters.

Funds selected the types of investment as either: ‘Early ventures’, ‘Late ventures’, ‘Growth investments’, ‘Buyout’, ‘Mezzanine’, ‘Infrastructure & Real assets’ or ‘Other’ (in rare cases). Other includes for example turnaround/rescue, replacement capital or secondaries.

Funds could choose between 14 main company activity sectors for their portfolio companies which included the following: ‘Business and industrial products’, ‘Business and industrial services’, ‘Chemicals and materials’, ‘Communications (services)’, ‘Construction’, ‘Consumer goods and retail’, ‘Consumer services’, ‘Energy and environment’, ‘Financial services’, ‘ICT (Computer and consumer electronics)’, ‘Infrastructure & Real assets’, ‘Life science (Biotech and healthcare)’, ‘Transportation (Logistics and mobility)’ and ‘Other’.

Funds were asked to follow the precedent that if it is a sector & ‘Tech’ i.e. FinTech, it is preferable to put it into Financial services, rather than ICT, and to follow this logic for other scenarios. A portion of invested company activity sectors were either not disclosed by funds or funds entered their own activity sector rather than choosing from the official categories. As a result, KPMG used public databases and judgement to fill in the missing ones.

The investment into Baltics and the total of Estonian, Latvian and Lithuanian investments do not match as a fund, Plural, did not provide a per investment or per country breakdown. This also impacts investments by sector and outbound investments.

Portfolio company data (revenue, profit and taxes paid) was also asked for and collected, however due to very low reporting by fund managers, the results of the analysis have been excluded due to insufficient representativeness of the underlying data.

Not all data pertaining to investments was provided by the funds, therefore it may not be fully representative of the true values.

# Methodology

## VC deep dive

As part of our enhanced analysis, we also gathered data from a number of public & non-public sources to estimate the total value of funds raised by Baltic start-up and scale-up companies.

### PUBLIC SOURCES INCLUDE:

- ESTONIA >
- LATVIA >
- LITHUANIA >

Non-public sources include Pitchbook and Mergermarket.

Significant judgement was used in distinguishing late ventures from PE growth investments. Factors such as overall funding journey and age of company were used.

A number of deals were identified for which investment amounts were not publically available and thus could not be added to our analysis.

The split between the data that was collected as part of this report and the rest of VC capital is an approximation as the sources for the two values differ.

## Divestments

Divestments from portfolio companies were defined at historical investment cost. This is not a measure of performance as this survey does not factor in capital gains/losses and thus the true value may be potentially higher/lower. Divestments were allocated to specific countries based on the company’s country of headquarters.

Methods of divestment included for this study are as follows: ‘IPO - First divestment following flotation’, ‘Management/Owner buy-back’, ‘Repayment of preference shares/ loans or mezzanine’, ‘Sale of quoted equity post flotation’, ‘Sale to another private equity firm’, ‘Sale to financial institutions’, ‘Sale to private individual/ family office’, ‘Sale to trade buyers’, ‘Write off’ and ‘Other’ (in rare cases).

Divestment in the Baltics exclude divestments from outbound companies.

Partial divestments were included in the number of divestments as separate divestments.

Exit value at cost by type of divestment was detailed for the Baltics overall, but not for Estonia, Latvia and Lithuania separately as for some stages there were only 1-2 exits, which had the potential to disclose confidential information.

Not all data pertaining to divestments was provided by the funds, therefore it may not be fully representative of the true values.

# Methodology

## ESG and market sentiment

Separate sections were created in the survey to get insight on fund manager views regarding ESG topics (incl. gender diversity) as well as market sentiment.

On the ESG questionnaire around 95% of fund managers shared their views on how ESG factors impact their investment decisions. 87% of fund managers responded to the Market Sentiment questionnaire in which views were shared regarding the current and future state of fundraising, attracting foreign LPs, investment opportunities and exit environment. Please note that the survey was completed by fund managers before the US tariff announcements.



# Baltics Fundraising

## Private Equity & Venture Capital in the Baltics

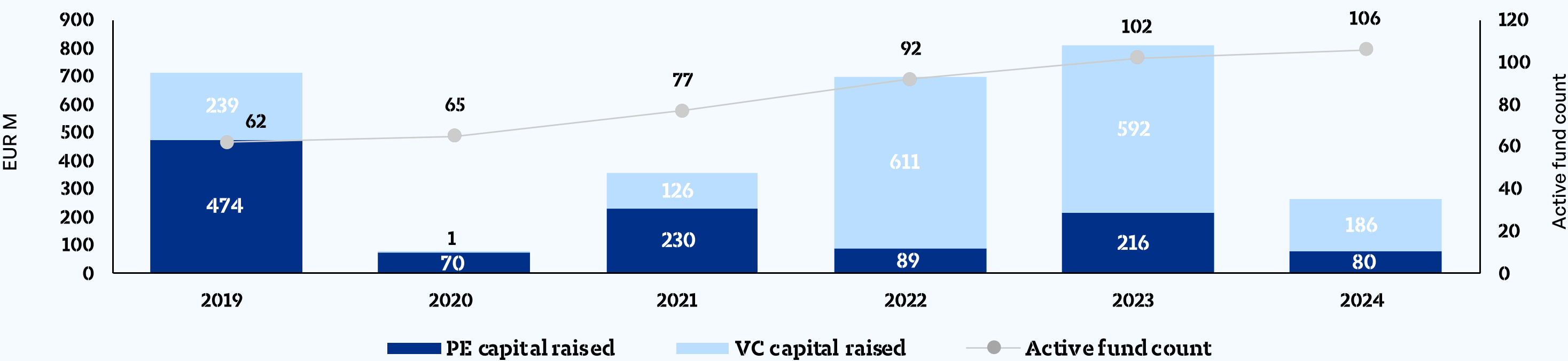


# Fundraising in the Baltics

2019-2024

## TOTAL FUNDRAISING (SPLIT INTO VC & PE) INCL. ACTIVE FUND COUNT

Capital raised annually during 2019-2024, EUR M<sup>1</sup>



“Baltic PE/VC fundraising slowed down after two record breaking years of fundraising, with €265 million raised in 2024”

On the back of two stellar fundraising years in 2022 & 2023 with over €1.5 billion raised by Baltic fund managers, 2024 saw fundraising activity decrease to €265 million (a decrease of 67% YoY). The decrease does not come as a surprise, given the complex macroeconomic and geopolitical environment and can be considered as a reversion toward the mean level of fundraising following a period of record-breaking activity. Over the year, the total number of active funds increased by four, reaching a new high of 106, having grown at a CAGR of 11.3% over the period 2019-2024.

VC funds raised a total of €186 million of new capital, which made up 70% of the total capital raised by Baltic fund managers in 2024. Four new VC funds were established during the year, of which none are managed by a fund manager participating in the study for the first time. The VC funds that raised the most capital in 2024 include Plural (for Fund II) and 2C Ventures (Fund I)<sup>2</sup>. 100% of the new funds have a multi-country investment strategy and have a pan-Baltic, pan-European or even global investment mandate.

PE fundraising also saw a slowdown compared to 2023, with a total of €80 million raised in 2024. Three new PE funds were established during the year, of which one is managed by a fund manager participating in the study for the first time. Within the PE space, fundraising was led by fund managers with growth and private debt strategies. For example, during the year Raft Capital, Merito Partners & Sound Asset Management all raised capital for their funds.

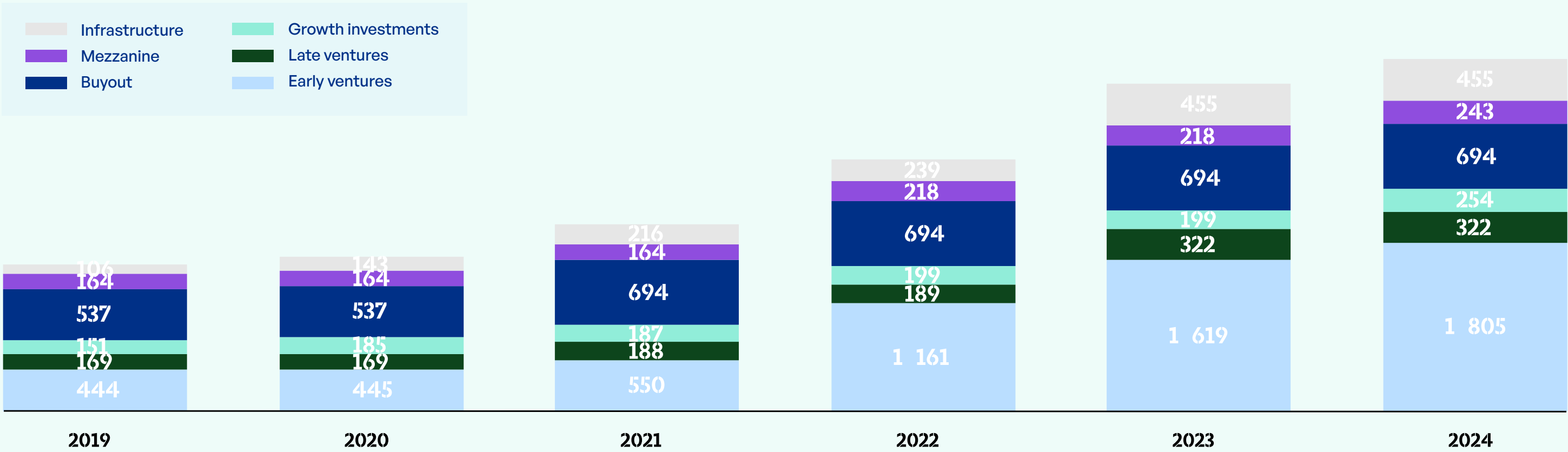
<sup>1</sup>Fundraising date is defined by the fund’s vintage year. Please see methodology section for further information. <sup>2</sup>2C Ventures and Plural Fund II had been already noted in last years report, but a significant part of fundraising took place in 2024. Given the addition of new fund managers which may have had historic funds, the historic numbers may have changed compared to last year’s report.

# Fundraising in the Baltics

2019-2024

## TOTAL CAPITAL RAISED BY PE/VC FUNDS BY FUND STAGE FOCUS IN THE BALTICS

Cumulative capital raised in 2010-2024, EUR M<sup>1</sup>



“In 2024, cumulative capital raised by Baltic fund managers surpassed €3.7 billion.”

“Early stage VC funds have now cumulatively raised nearly half or €1.8 billion of the total capital raised by Baltic fund managers, a more than threefold increase compared to 2021.”

By the end of 2024, the total cumulative capital raised by Baltic fund managers reached €3.77 billion. Funds focusing on early-stage VC investment are the largest single category for total cumulative capital raised, making up nearly half or €1.8 billion of the total. Compared to 2021, the cumulative capital raised by early stage VC funds has grown more than threefold. Buyout fundraising, on the other hand, has remained flat since 2021, but still remains the second largest category, constituting 18% or close to €700 million. Looking ahead, in early 2025 Invalda reached first close of its INVL Private Equity Fund II, which is targeting to raise €400 million.

With regards to the remaining categories, funds focusing on growth stage investments have had a good year with cumulative funds raised increasing by close to 30% YoY. Funds focusing on infrastructure & real assets, late venture, growth and mezzanine investments account for somewhat similar proportions of total capital raised (12%, 9%, 7% and 6%, respectively).

On a fund level, Baltcap has cumulatively raised the most capital to date in the PE space, while in the VC space Plural has raised the most to date. Plural & Baltcap (incl. Nordic Ninja) combined have raised over €1.5 billion, approximately 40% of the total capital raised by Baltic fund managers.

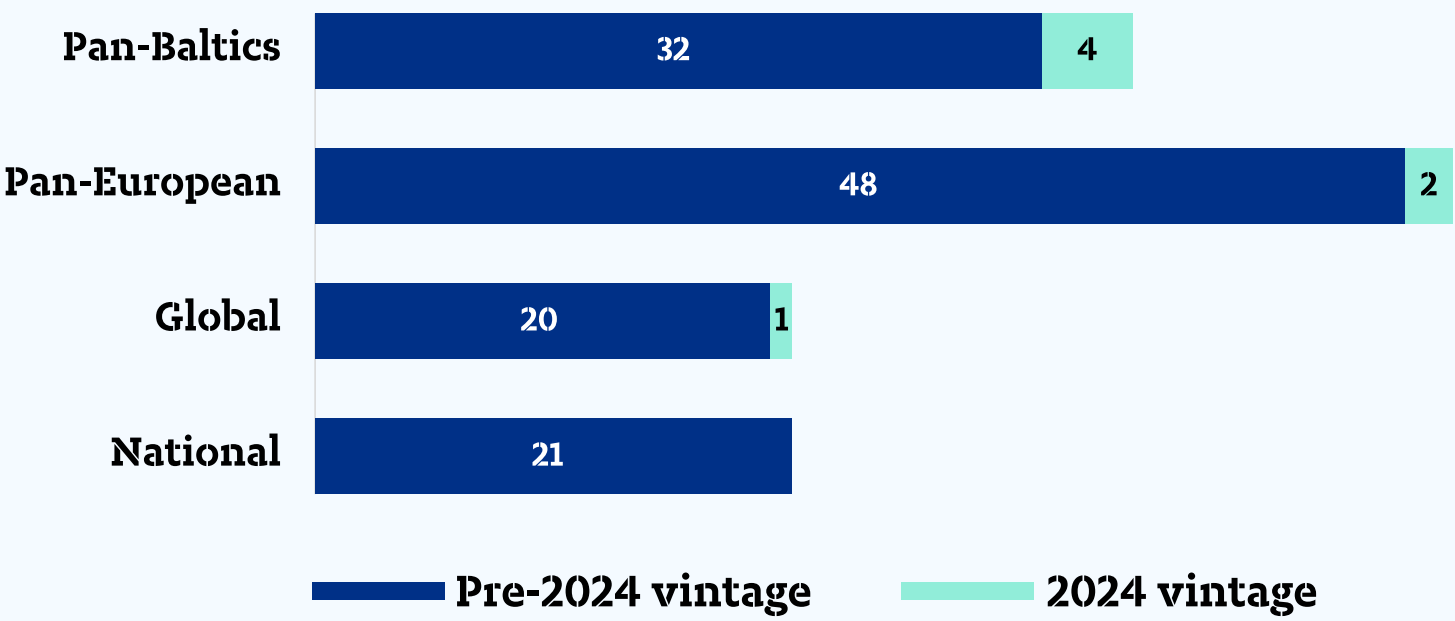
<sup>1</sup>2019 includes the cumulative fundraising since 2010. Given the addition of new fund managers which may have had historic funds, the historic numbers may have changed compared to last year's report.

# Fundraising in the Baltics

2019-2024

## NUMBER OF ACTIVE FUNDS BY GEOGRAPHIC FOCUS

Split into Pre-2024 vintage and 2024 vintage



→ All of the seven 2024 vintage funds have a multi-country investment strategy, as opposed to a national focus. Compared to prior years, a larger proportion of the new vintage funds have a pan-Baltic focus rather than pan-European or global, indicating confidence in the region and its ability to produce a robust pipeline of investment-ready companies.

<sup>1</sup>Not all funds provided detailed data for their country of fundraising, therefore it may not be fully representative of the true values.

## PE/VC CAPITAL RAISED BY GEOGRAPHIC REGION %

2024 (2019-2024)<sup>1</sup>

53.3% North America  
(21.4%)

30.2% Baltics  
(47,2%)

15.9% Rest of Europe  
(24%)

0.6% Asia  
(7.4%)

0% Other  
(0.1%)

Over the longer term (2019–2024), capital committed by Baltic Limited Partners (“LPs”) has accounted for the largest share—47.2%—of total funds raised by local fund managers. However, on an annual basis, 2024 was the first year in the history of this study when most (70%) of the capital raised by Baltic fund managers originated from outside the home region.

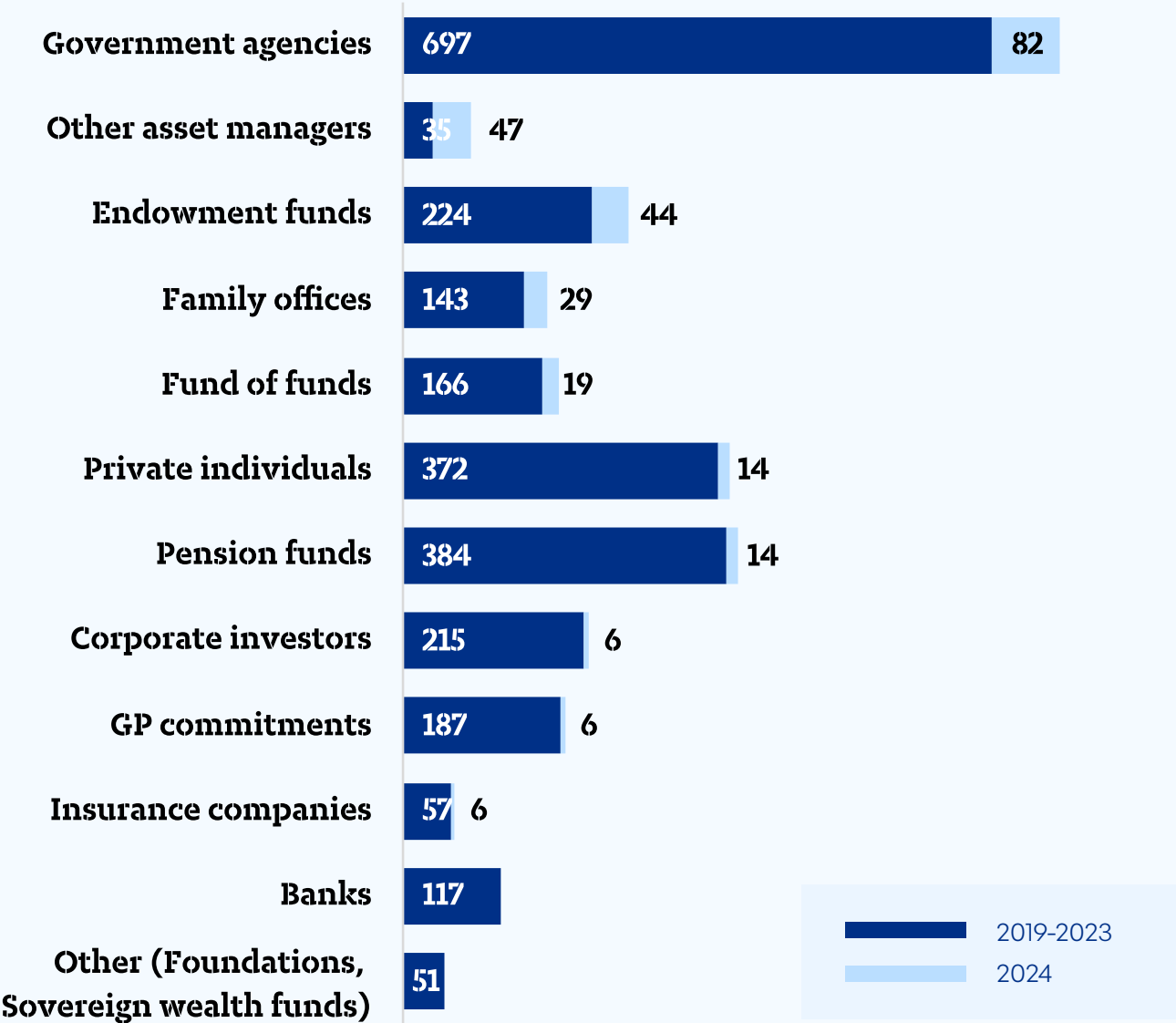
What is even more surprising is that 54% of capital came from outside the EU (mostly North America). Over the period of 2019-2024, Baltic funds have raised capital from more than 30 different countries.

# Fundraising in the Baltics

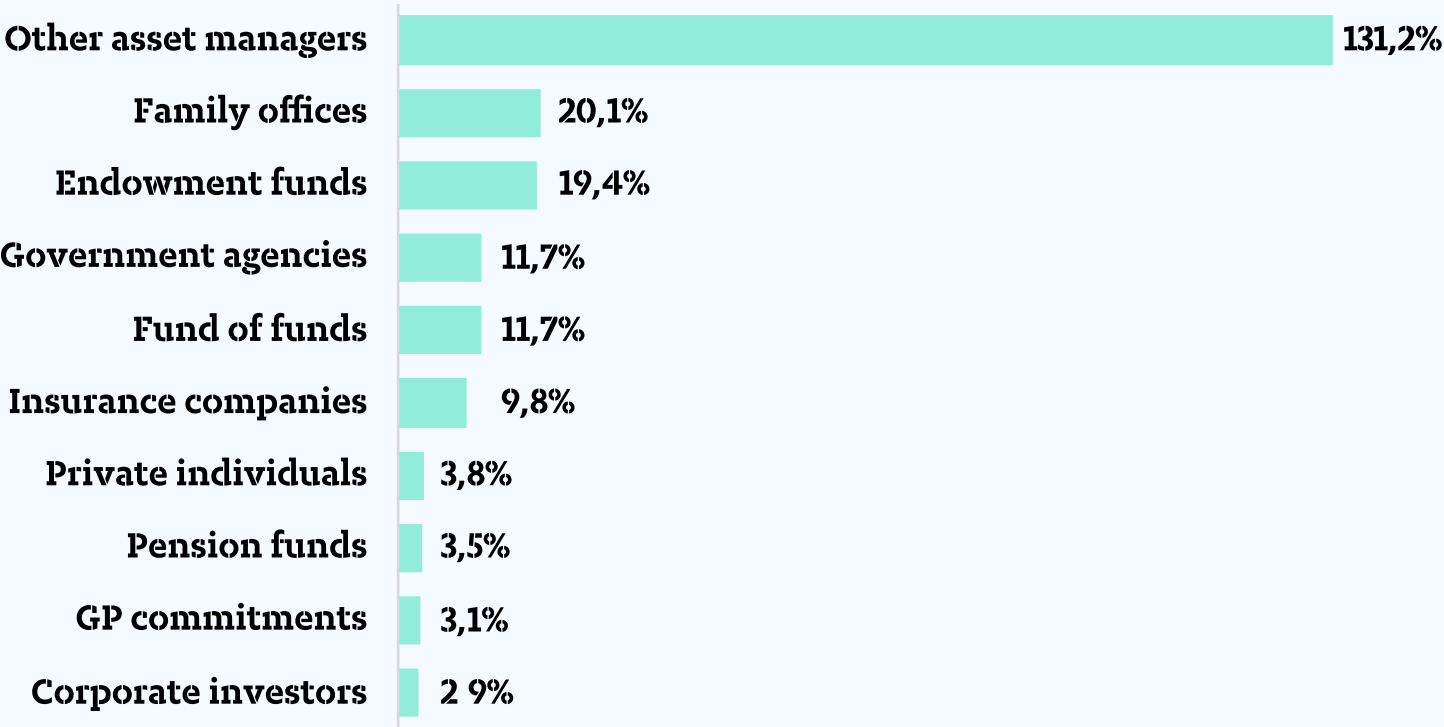
2019-2024

## CAPITAL RAISED BY INVESTOR TYPE

2019-2024, EUR M



## PE/VC INVESTMENT GROWTH BY INVESTOR TYPE IN 2024 COMPARING TO 2019-2023 PERIOD:



→ Government agencies remain a key funding source for Baltic fund managers, contributing 31% of total capital raised in 2024, an increase from 27% over the 2019–2023 period. 2024 saw fundraising from a number of less traditional funding sources for the region - other asset managers, endowment funds, family offices and fund of funds. The ability to raise funds from a wider pool of capital sources is a sign of growing maturity for the regions fund management sector.

Categories below a minimum threshold were left out. Given the addition of new fund managers which may have had historic funds, the historic numbers may have changed compared to last year's report.

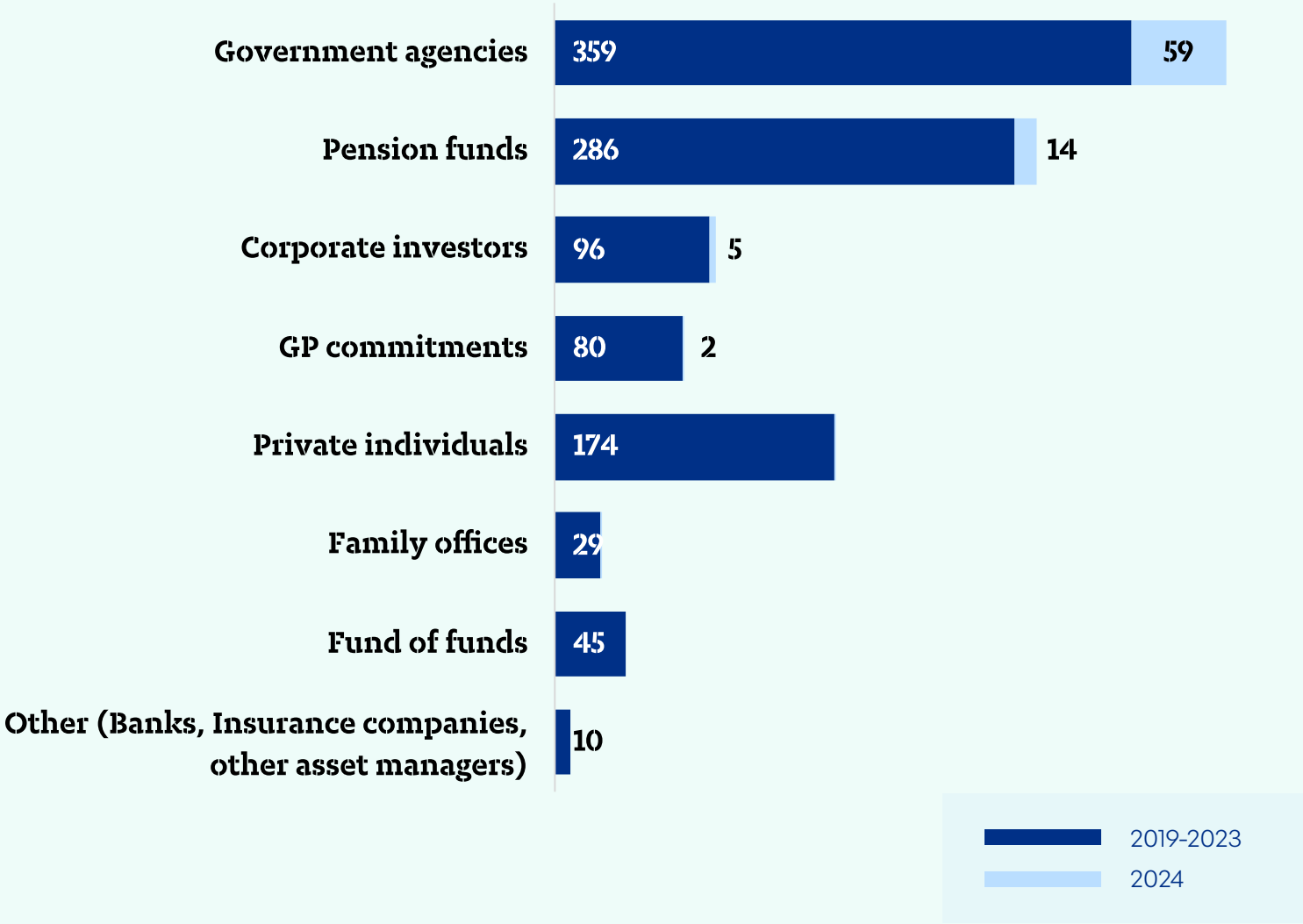


# Fundraising in the Baltics

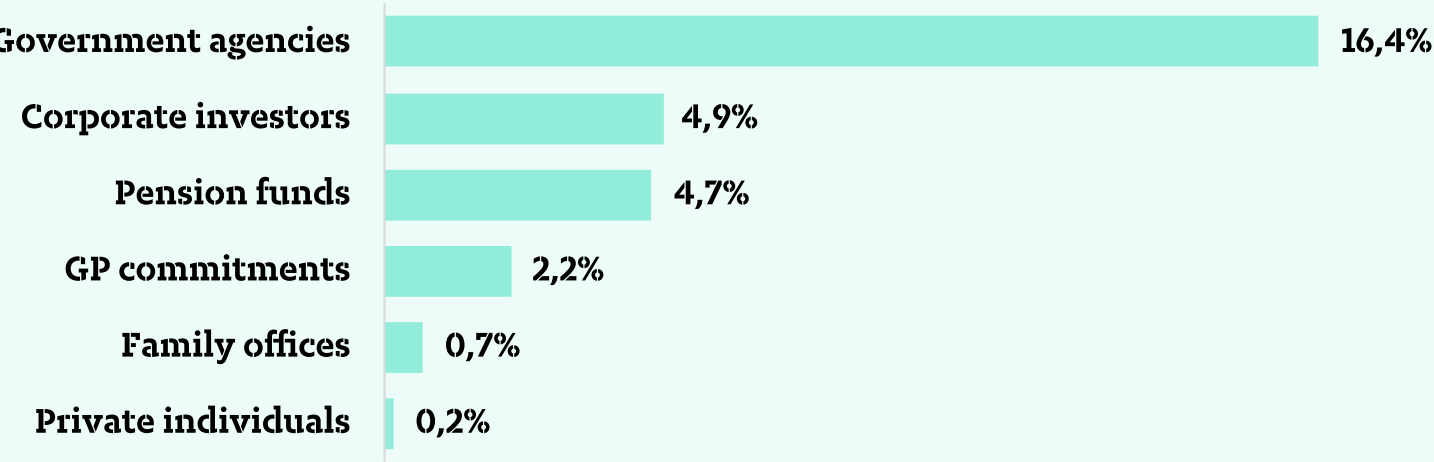
2019-2024

## PE CAPITAL RAISED BY INVESTOR TYPE

2019-2024, EUR M



## PE INVESTMENT GROWTH BY INVESTOR TYPE IN 2024 COMPARING TO 2019-2023 PERIOD:



→ Traditionally, PE funds raise capital mainly from three investor types - government agencies, pension funds and private individuals; in 2024, this pattern remains largely unchanged, with over 90% of capital coming from two of the three funding sources. Similar to last year, private individuals seem to maintain a more conservative investment approach as the geopolitical and macroeconomic situation remains complex. However, it was positive to note that after a few years of very low investment, corporate LPs have injected capital into the region’s PE funds.

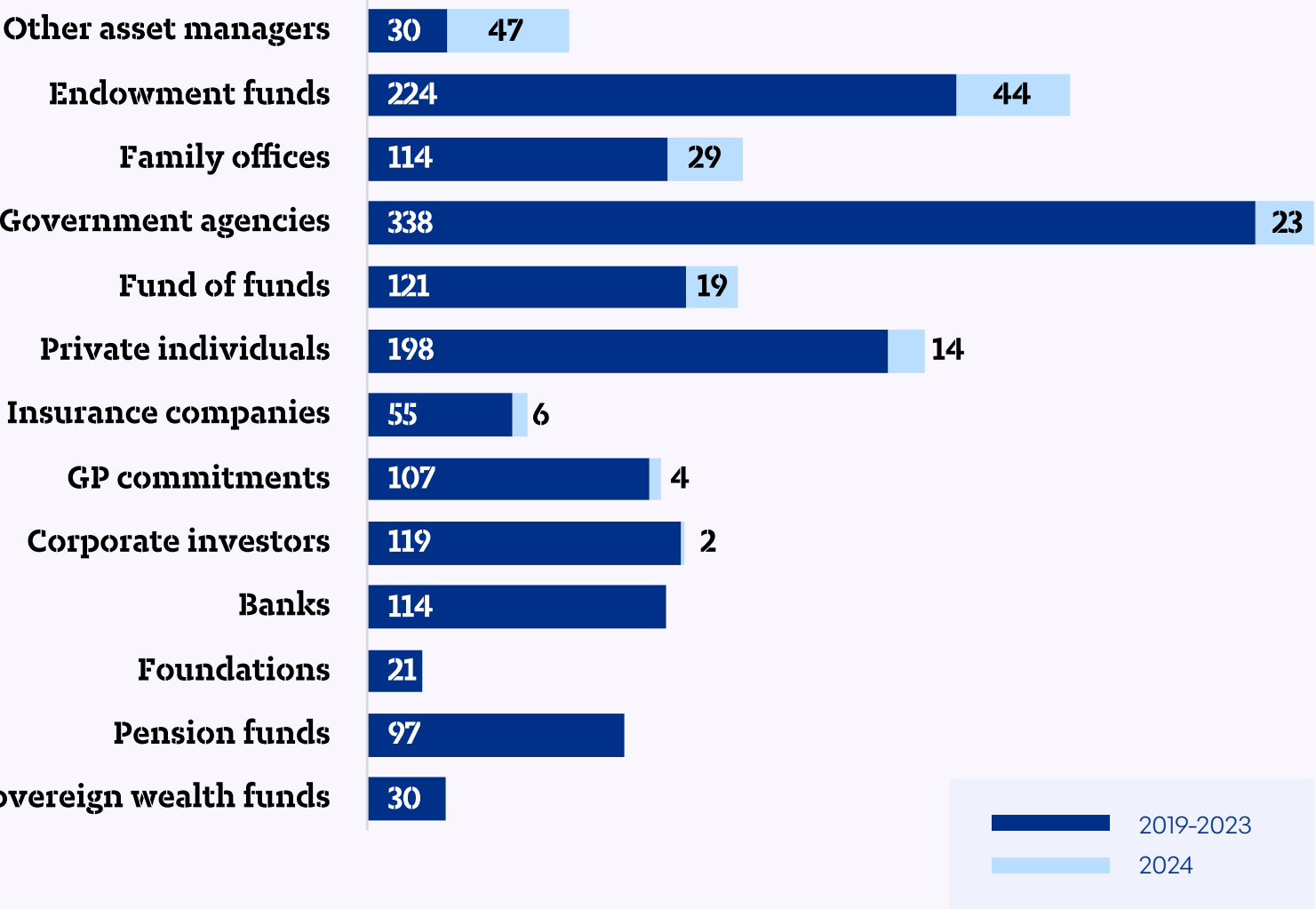
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# Fundraising in the Baltics

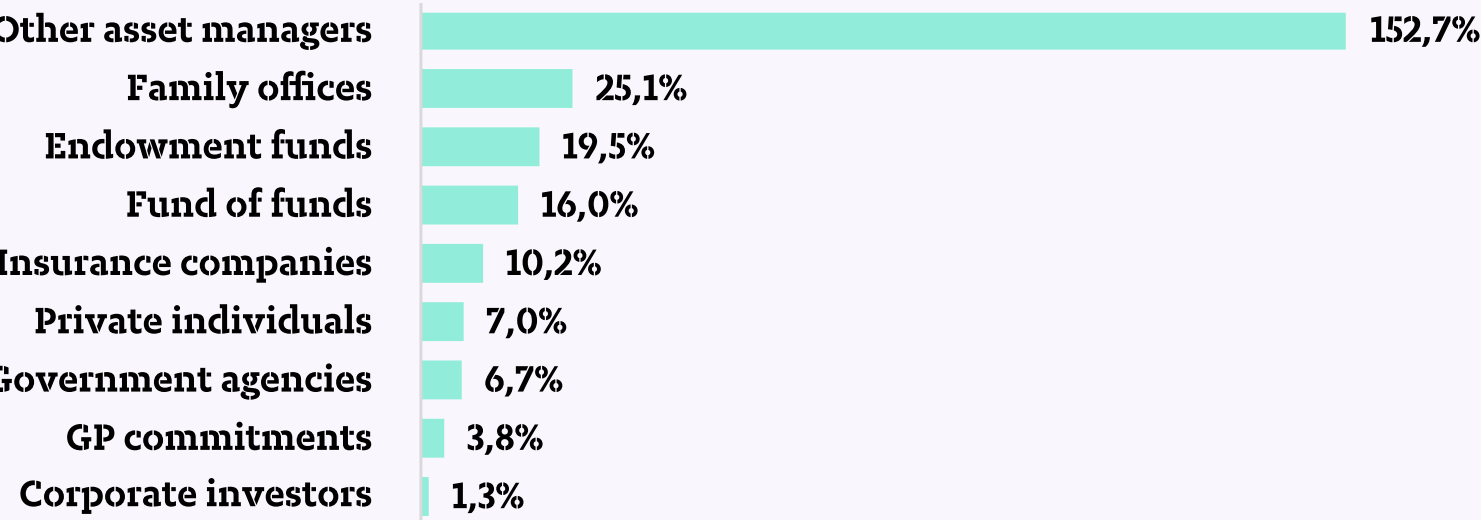
2019-2024

## VC CAPITAL RAISED BY INVESTOR TYPE

2019-2024, EUR M



## VC INVESTMENT GROWTH BY INVESTOR TYPE IN 2024 COMPARING TO 2019-2023 PERIOD:



→ In recent years, VC fund managers have drastically reduced their dependence on government funding, with 2024 being the second year in a row when close to 90% of capital is raised from non-governmental sources. It is also positive to note that no single source of funds dominates, but rather a more diversified pool of capital is being tapped into - other asset managers (€47 million), endowment funds (€44 million) and family offices (€29 million). The continued growth of non-governmental funding is a strong sign of a maturing market and growing credibility of the Baltic VC fund management space.

Categories below a minimum threshold were left out. Given the addition of new fund managers which may have had historic funds, the historic numbers may have changed compared to last year's report.



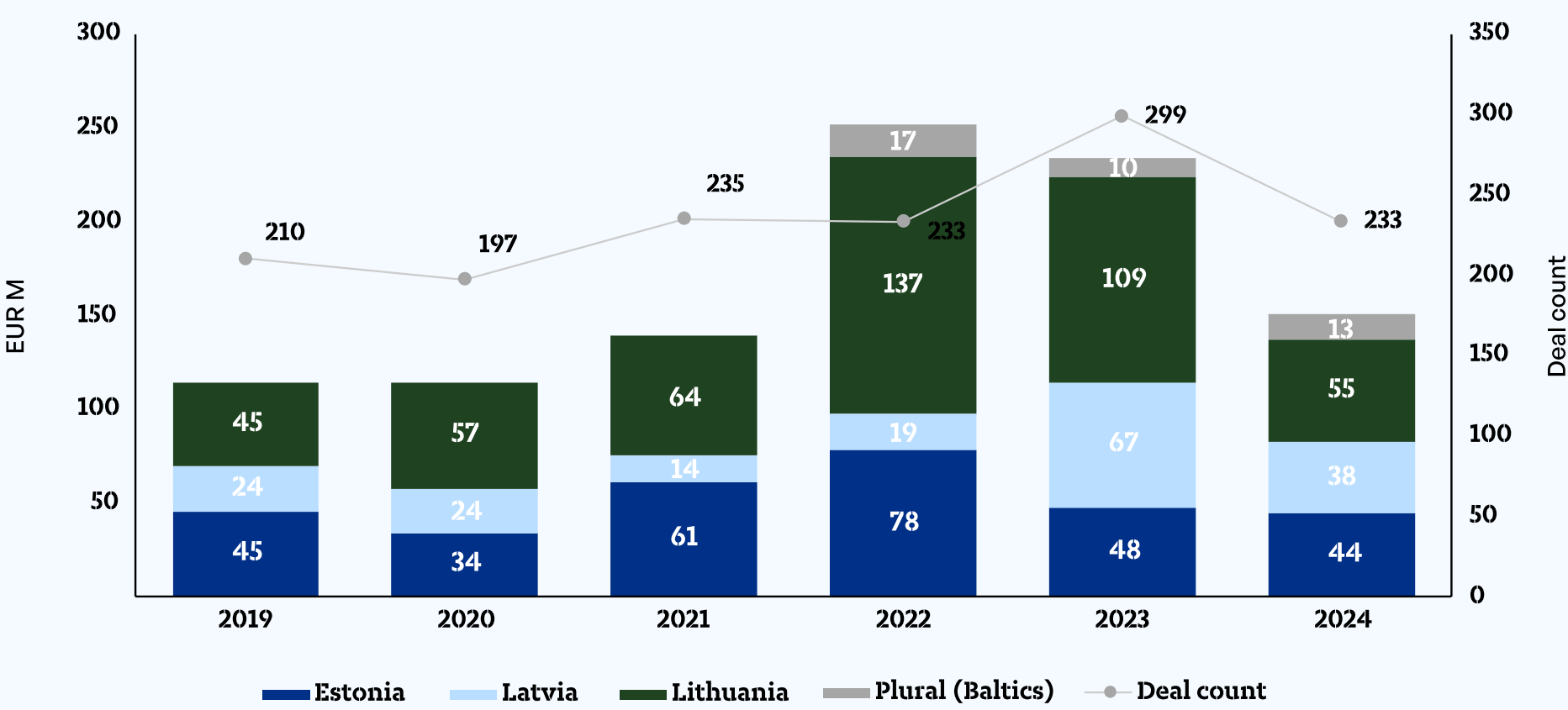
Baltics Investments

Private Equity & Venture  
Capital in the Baltics

# Investments

## FUNDS’ INVESTMENTS INTO THE BALTICS INCL. COUNT

2019-2024<sup>1</sup>, EUR M

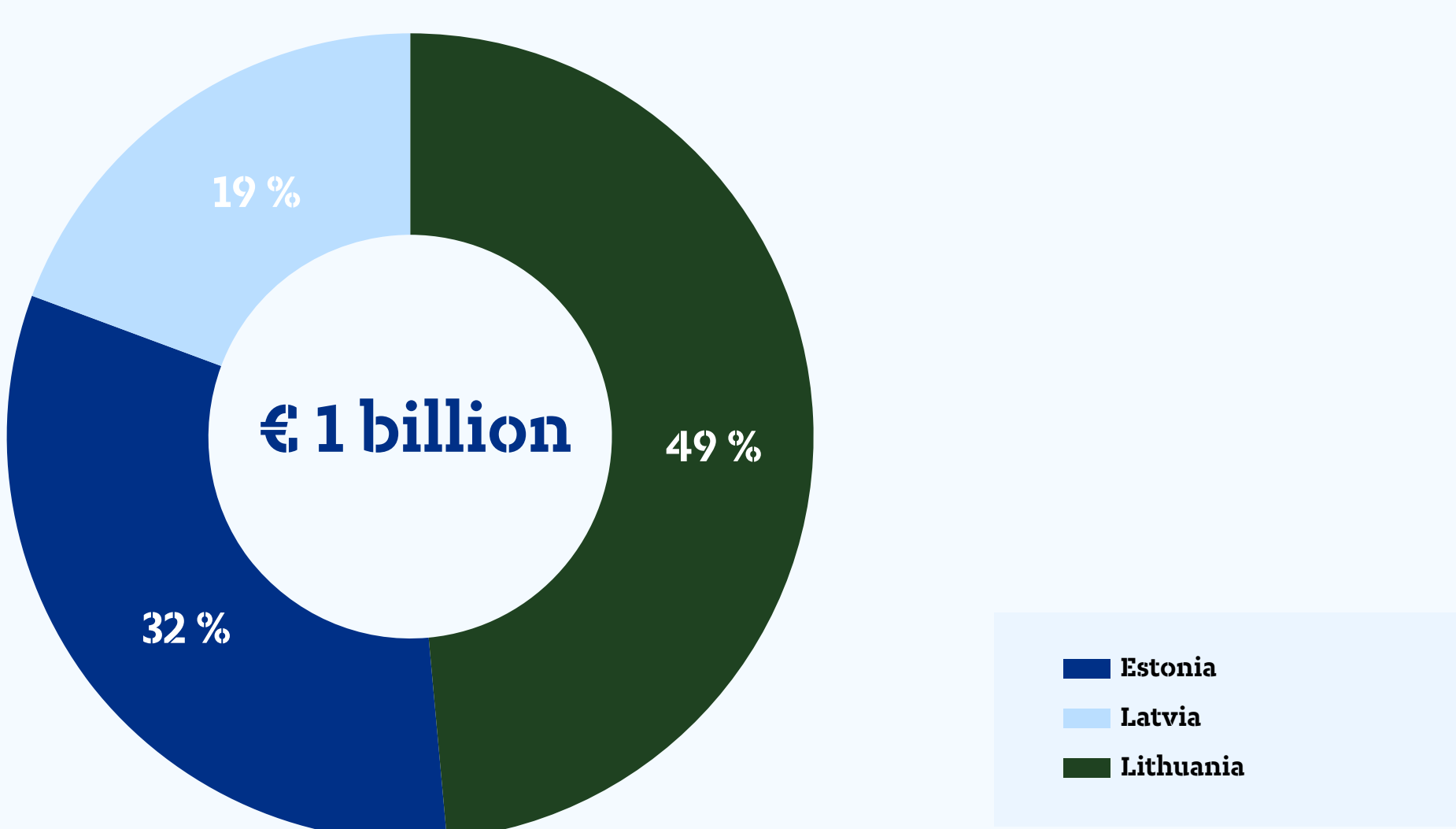


“Baltic PE/VC funds made a total of 233 investments into local companies at a total value of €151 million.”

Investment activity into local companies in 2024 was on par to the levels seen in 2021 & 2022, with over 230 investments made into Baltic companies. From a YoY perspective, deal activity declined by 22%, though 2023 was an exceptional year with a record level of deal activity.

Investment values saw a much steeper decline, with a total of €151 million invested over the year, which is a 36% decline compared to 2023 & 40% drop compared to 2022. The average deal size was €0.65 million, decreasing by 17% YoY. The decline in total investments & deal size is partly driven by reduced PE investment activity (esp. buyout), which generally have larger deal sizes.

## PERCENTAGE OF CAPITAL INVESTED BY COUNTRY 2019-2024



Over the past 6 years, the total investments into Baltic based companies has exceeded €1 billion for the first time. Lithuania maintained its position as the top Baltic investment destination for the 5th consecutive year, with investments totalling €55 million (YoY decline of 50%). Latvia also experienced a considerable YoY drop of 43%, although activity was still above the 2019-2022 average. Estonia showed the most resilience, with the smallest YoY decrease of 7%.

<sup>1</sup>Plural did not provide a per country breakdown. Please note that funds which did not submit 2024 data are reflected only in historical values, their 2024 activity is not included.

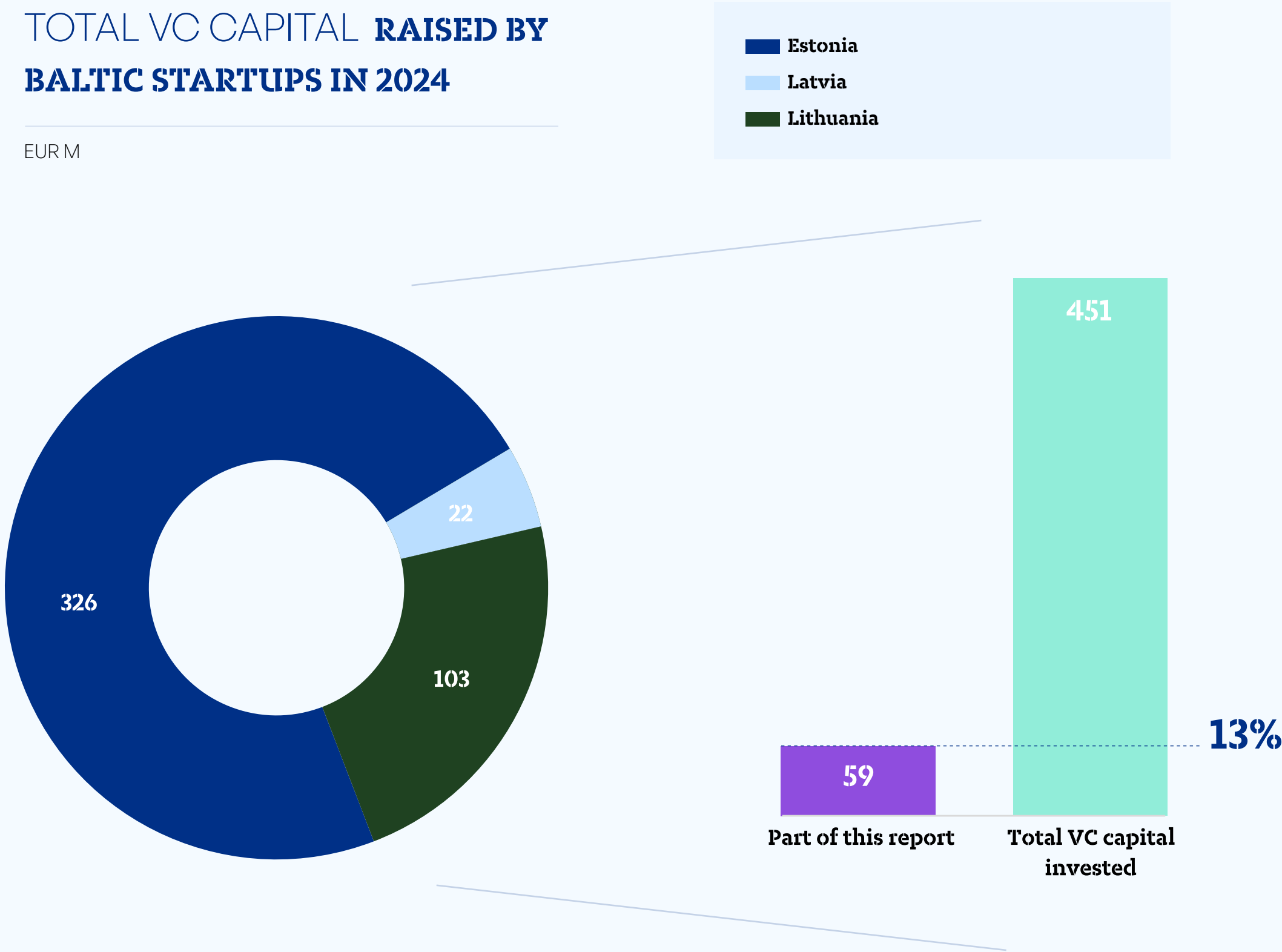


# Investments

## – VC deep dive

### TOTAL VC CAPITAL RAISED BY BALTIC STARTUPS IN 2024

EUR M



Significant judgement was used in distinguishing late ventures from PE growth investments. Factors such as overall funding journey and age of company were used. The split between part of this report and the rest of VC capital is an approximation as the sources for the two numbers differ. There was a substantial €340 million secondary share sale by Vinted (Lithuania HQ) in 2024, which was not counted towards the total as it includes only primary and not secondary deals. Source: Pitchbook, Mergermarket, Estonia VC ecosystem data, Latvia VC ecosystem data, Lithuania VC ecosystem data.

As part of our enhanced analysis, we also gathered data from a number of public & non-public sources to estimate the total value of funds raised by Baltic start-up and scale-up companies.

Based on our analysis, Baltic companies raised €451 million venture capital funding in 2024, a 33% decrease YoY. Of this total, approximately 13% or €59 million was invested by VC funds that are part of this report, a 2.5 percentage point increase over last year, illustrating that the relative importance of local capital increases in tougher fundraising years. The remaining 87% was provided mostly by foreign investors, high-net worth individuals/angel investors as well as some Baltic funds not covered in this report.

Overall, Baltic funds invest in a larger proportion of deals compared to foreign investors, yet account for less deal value. This, to a large extent, can be explained by the fact that Baltic VC investors participate in earlier rounds, which are smaller in size, while foreign investors enter at later stages providing larger sums. For example, in the top 4 VC fundraising for 2024: Starship Technologies (€84 million, Estonia), Elcogen (€46 million, Estonia), Tuum (€25 million, Estonia) and Ovoko (€20 million, Lithuania) – a very large part of the funding came from outside of the Baltics.

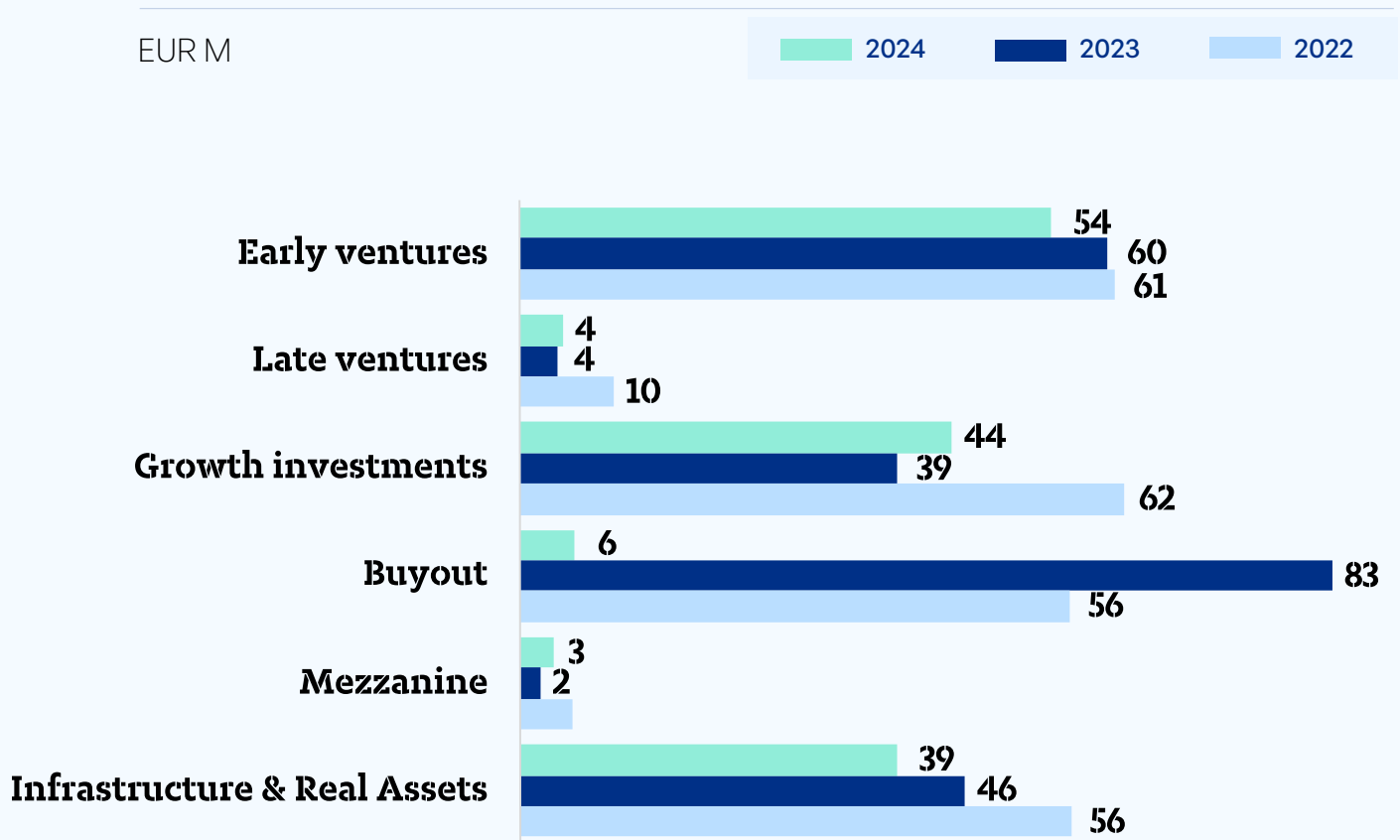
Estonia-headquartered companies widen its lead as the most start-up capital raised in the Baltics, with the share increasing from 52% in 2023 to 72% in 2024. Latvia remains behind its Baltic neighbours, with a significant distance to bridge in order to narrow the gap.

# Investments

## – Stage

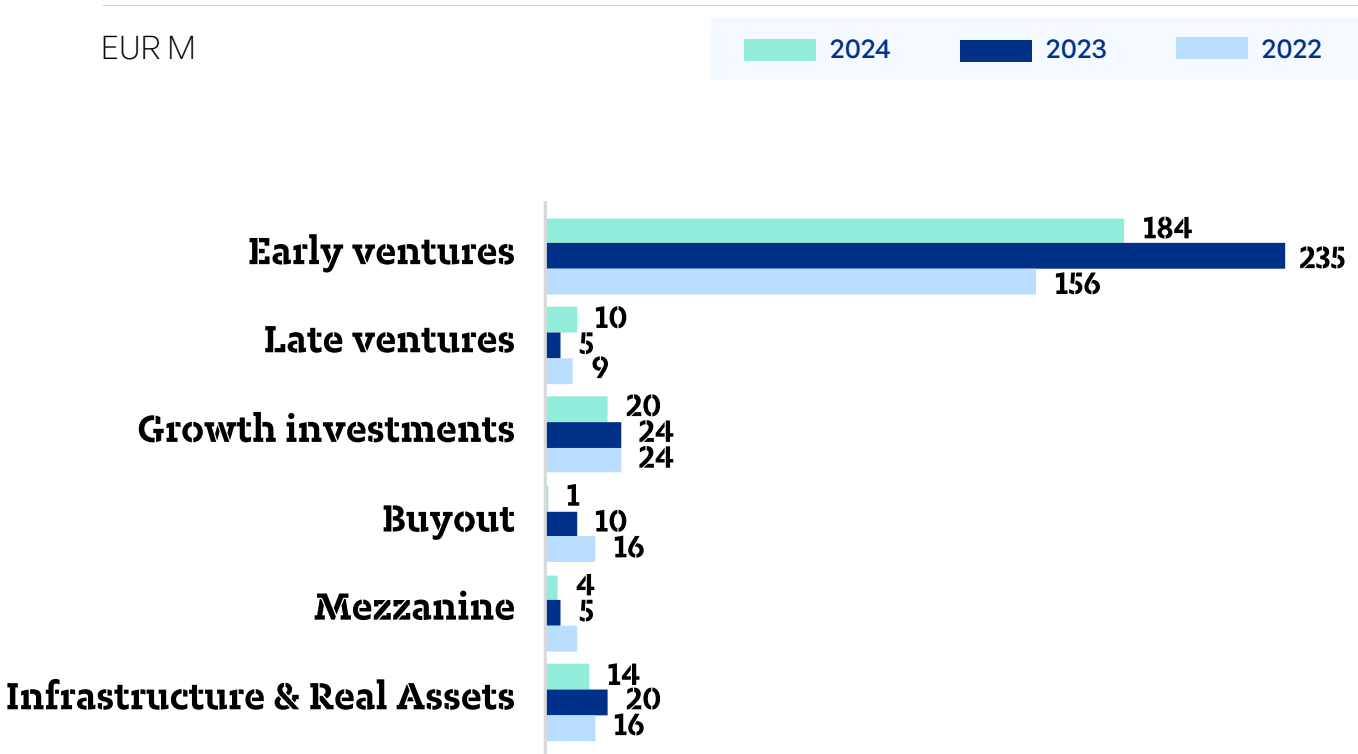
“2024 was a solid year for early-stage VC and growth investments, whereas buyout activity saw a large decline.”

### TOTAL INVESTMENT AMOUNT



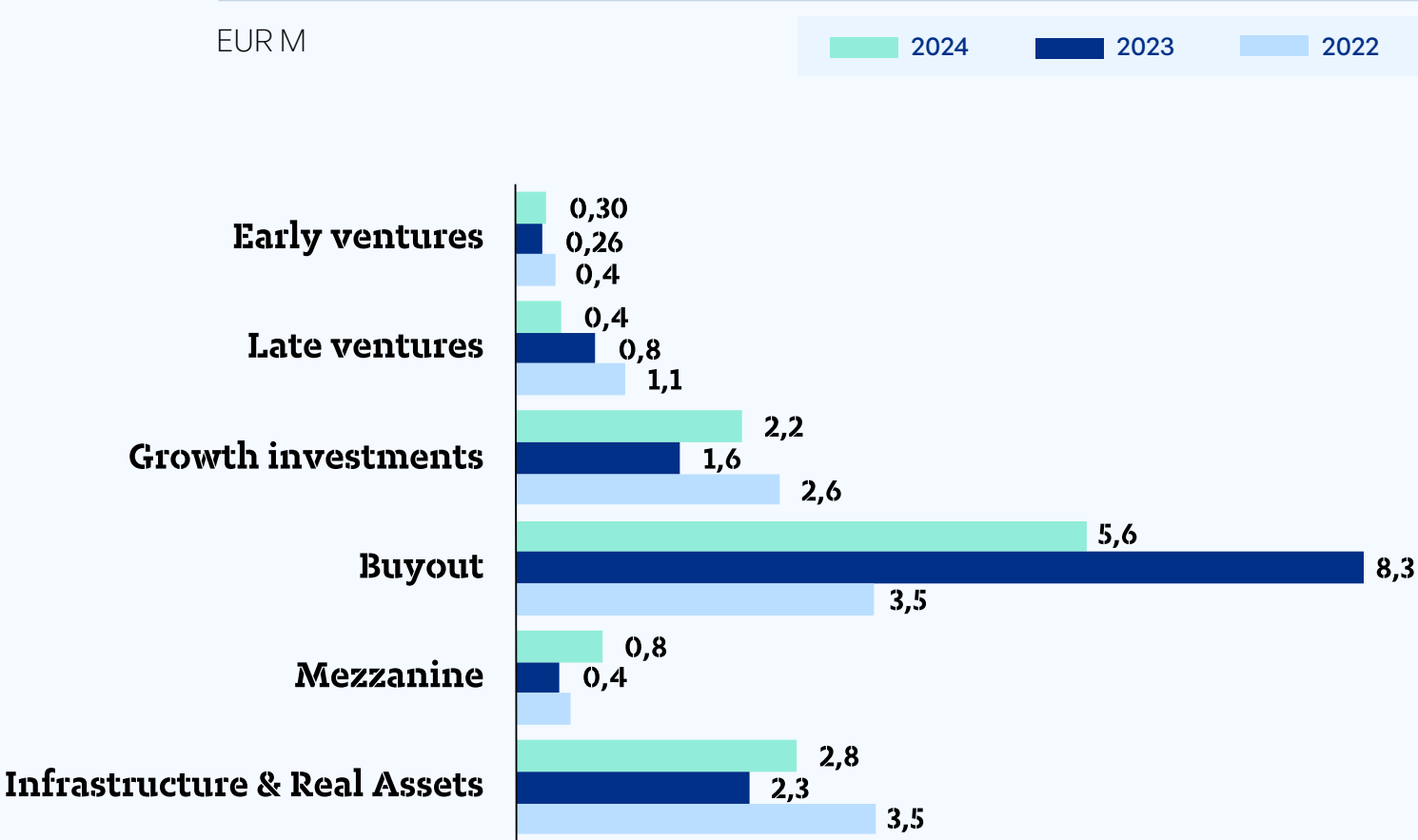
- The investment landscape shifted towards earlier stage investing in 2024, with early stage VC making up over 35% of total investments in the year, while growth stage investments was the only major category to increase volumes, growing 15% YoY.
- On the other hand, more mature PE investing experienced a significant decline in activity, with buyout investments decreasing by over 90%. In addition, infrastructure investment decreased for a second consecutive year, with a YoY decline of 15%.

### NUMBER OF INVESTMENTS



- The number of total deals decreased by 22% YoY, mainly driven by a decline in early stage VC deals and a drop in buyout activity.
- The number of late venture deals rebounded to 2022 level with a 100% YoY increase.
- Growth investment also had a strong year with the total number of investments reaching 20+ for the third consecutive year.
- Mezzanine deal activity remained on a similar level to prior years, while infrastructure & real asset investments declined by 30% YoY.

### AVERAGE INVESTMENT



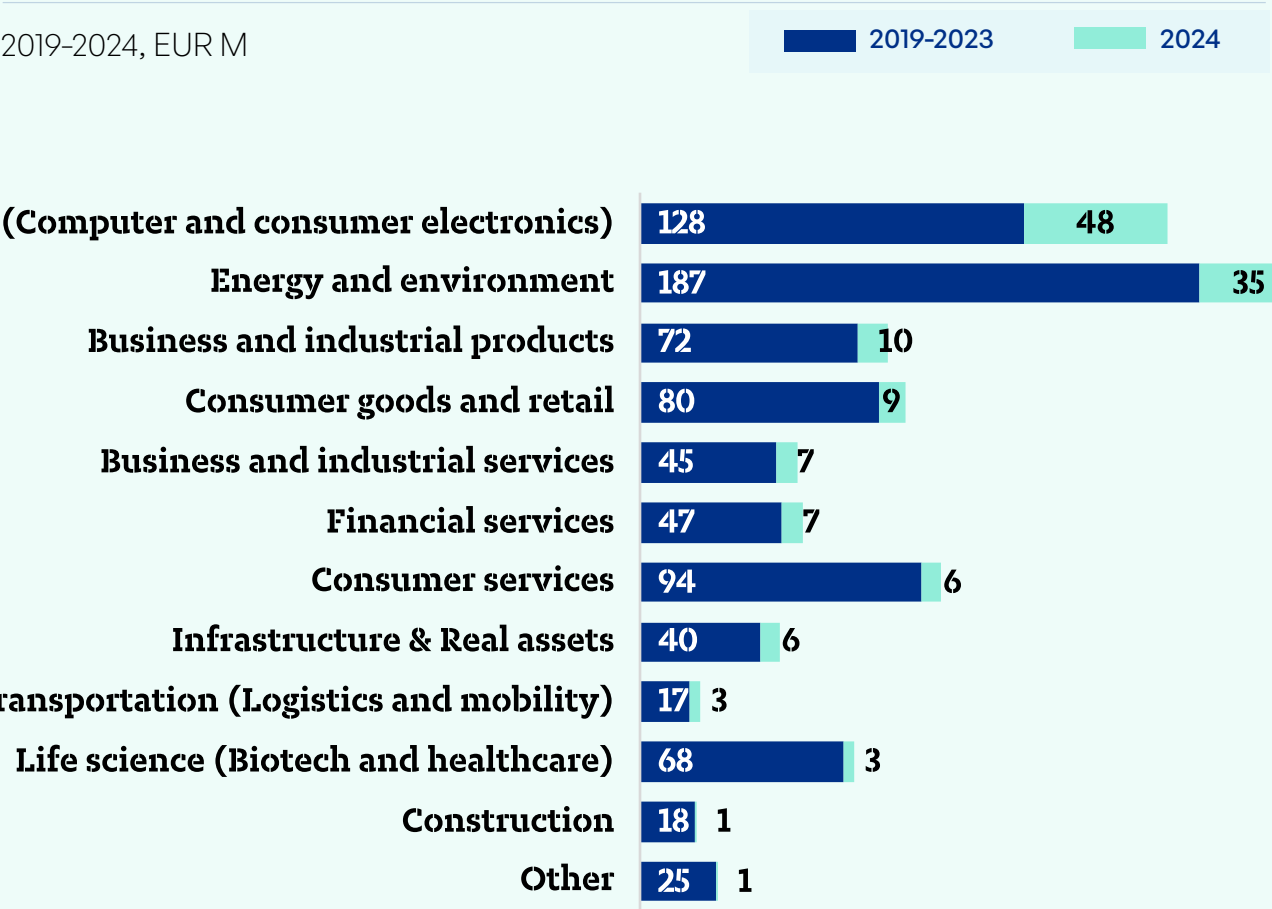
- Although the total average investment amount decreased by 17% due to a higher share of early stage activity, it is worth noting that four out of seven investment stages experienced a YoY increase in average investments.
- The largest growth in average investment was observed for mezzanine & growth stage investments, for which the YoY increase was 100% and 37%, respectively. The infrastructure & real asset space also saw a YoY average investment increase by over 20%, while early stage VC investment size also increased slightly.

# Investments

## – Sector

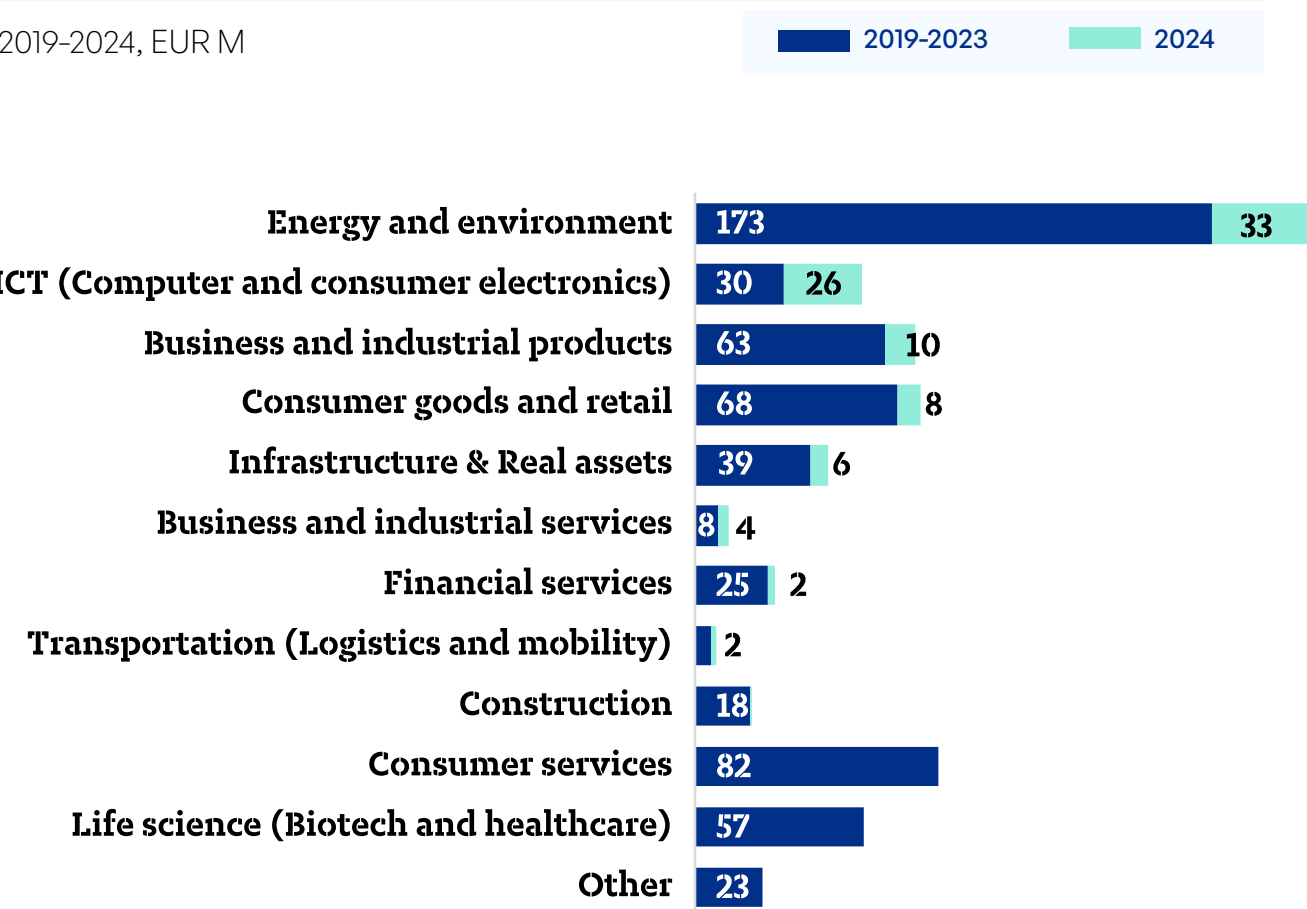
“From a sector perspective, the focus in 2024 was on information & communication technology and energy & environment, as well as industrial products.”

### PE/VC INVESTMENT BY SECTOR



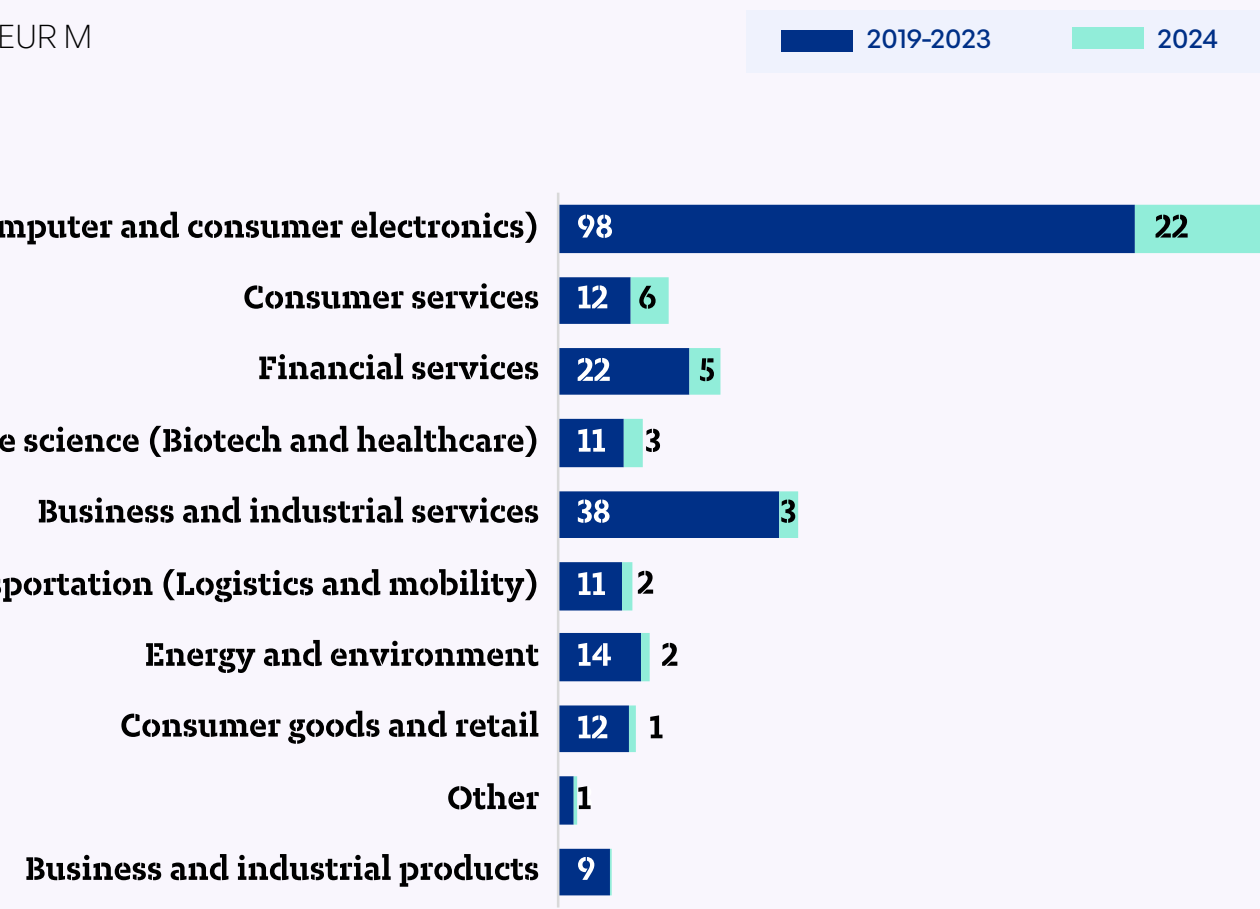
- The ICT sector surpassed energy & environment by investment amounts, growing 2.3x YoY to €48 million in 2024.
- Energy & environment saw a 22% YoY decrease, ending 2024 at €35 million.
- Overall, the concentration of the top 2 sectors grew to 60%, significantly above the 5-year baseline of 38%.
- Consumer & business services together have seen a 75%+ investment decline due to muted PE activity.

### PE INVESTMENT BY SECTOR



- In 2024, PE investing shifted away from more traditional industries like industrial and consumer products towards ICT; 2024 investments into ICT (€26 million) nearly surpassed the combined total investment in the sector for the five year period 2019-2023 (€30 million).
- Energy & environment remained a key investment sector for PE funds, with €33 million invested in 2024, making up 36% of the year’s total PE investment activity.

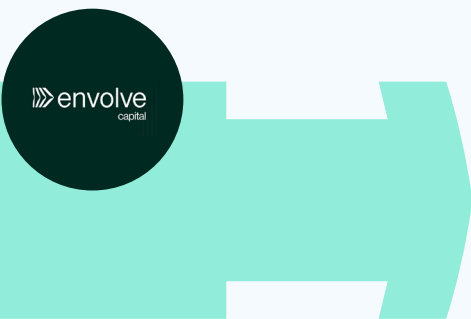
### VC INVESTMENT BY SECTOR



- ICT remains the sector attracting the most investments from [Baltic VC](#)’s with €22 million of investment in 2024, nearly half of the total.
- Other sectors which attracted Baltic VC fund interest are consumer services (€6 million), financial services (€5 million), life science (€3 million) and business and industrial services (€3 million).
- Compared to 2023, business & industrial services, as well as the energy sector experienced the largest declines in VC investment interest.

# Investments

– Noteworthy investments within PE/VC in the Baltics in 2024



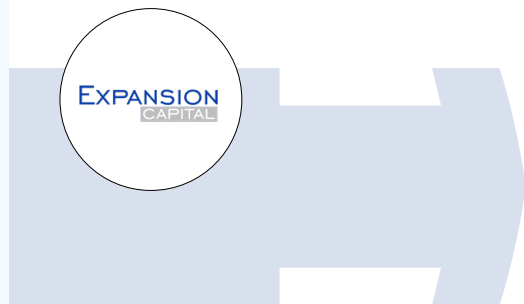
**ENVOLVE CAPITAL CLEAN ENERGY INFRASTRUCTURE FUND** deployed capital in Latvia & Lithuania for renewable energy project development.



**KARMA VENTURES II** led a \$20m Series B round in Pactum AI, an Estonian procuretech company offering an agentic AI platform for automating supplier contract negotiations.



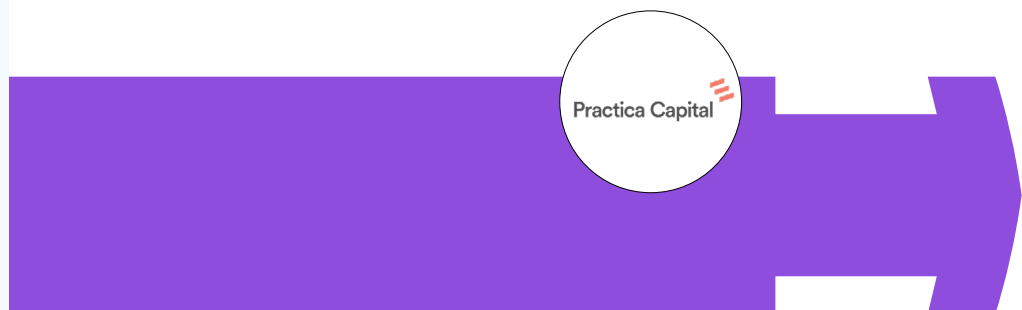
**LIVONIA PARTNERS FUND II** acquired Wildix, a provider of unified communications & collaboration technology in Estonia.



**EXPANSION CAPITAL FUND I** invested in Wash Mate, a Latvian self-service laundry payment and monitoring system provider.



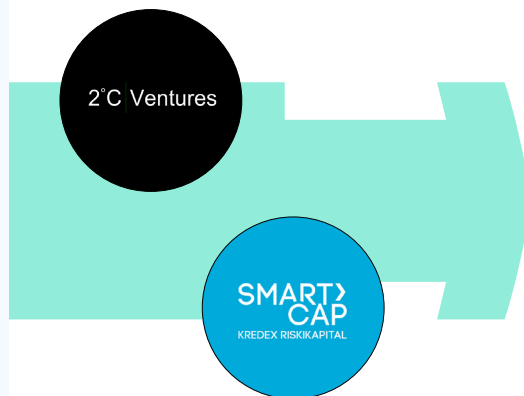
**MERITO SELF STORAGE FUND** acquired Box Storage, the largest network of self storage facilities in Riga, Latvia.



**PRACTICA VENTURE CAPITAL III** co-led a seed round in Spike, a Lithuanian API platform that integrates data from 300+ connected devices into health and wellness applications.



**LIVONIA PARTNERS FUND II** acquired Digital Mind (now Digimatix), a business process digitalization specialist in Latvia.

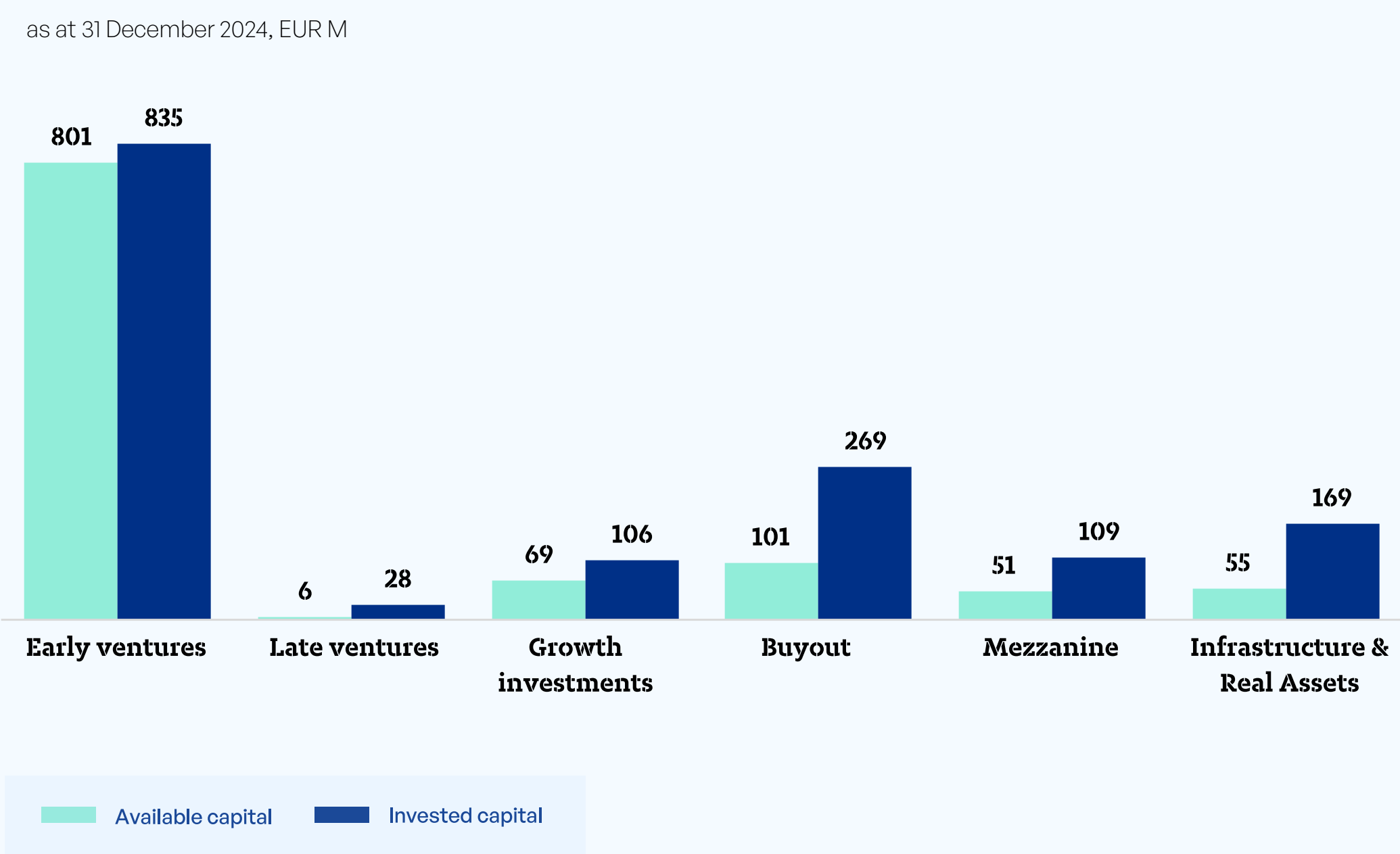


**2C VENTURES FUND I & SMARTCAP GREEN FUND** invested in Äio Tech, an Estonian developer of sustainable alternatives for vegetable oils and animal-based fats.

# Investments

## – Dry powder

### CAPITAL AVAILABLE FOR INVESTMENTS BY FUND’S STRATEGY



<sup>1</sup>As some funds became historicals only (ceased reporting), their capital under management has not been included.

“There is over €1.0 billion of capital available for deployment within Baltic PE/VC funds.”

- By the end of 2024, total dry powder for Baltic PE/VC funds stood at €1.08 billion. Given 2024 saw mostly VC fundraising, it is not surprising that early ventures hold the most dry powder of €801 million - deal activity is forecast to stay buoyant in this space.
- In all other investment strategies beside early ventures, there is somewhat low or potentially insufficient levels of dry powder when compared to their historic investment levels. Capital availability is reducing as existing funds are nearing the end of their investment period, with some potentially making preparations to start fundraising as early as 2025. One key announcement was already made in early 2025, as INVL announced reaching a first close for its INVL Private Equity Fund II (expected fund size of €400 million).
- Of the eight funds which raised capital this year, six had already made first drawdowns to deploy capital. However, most of these occurred in the latter half of 2024, and, as a result, the total capital deployed by new funds amounted to less than 5% of the total capital raised in 2024, indicating that most of the capital deployment will take place in the upcoming years.

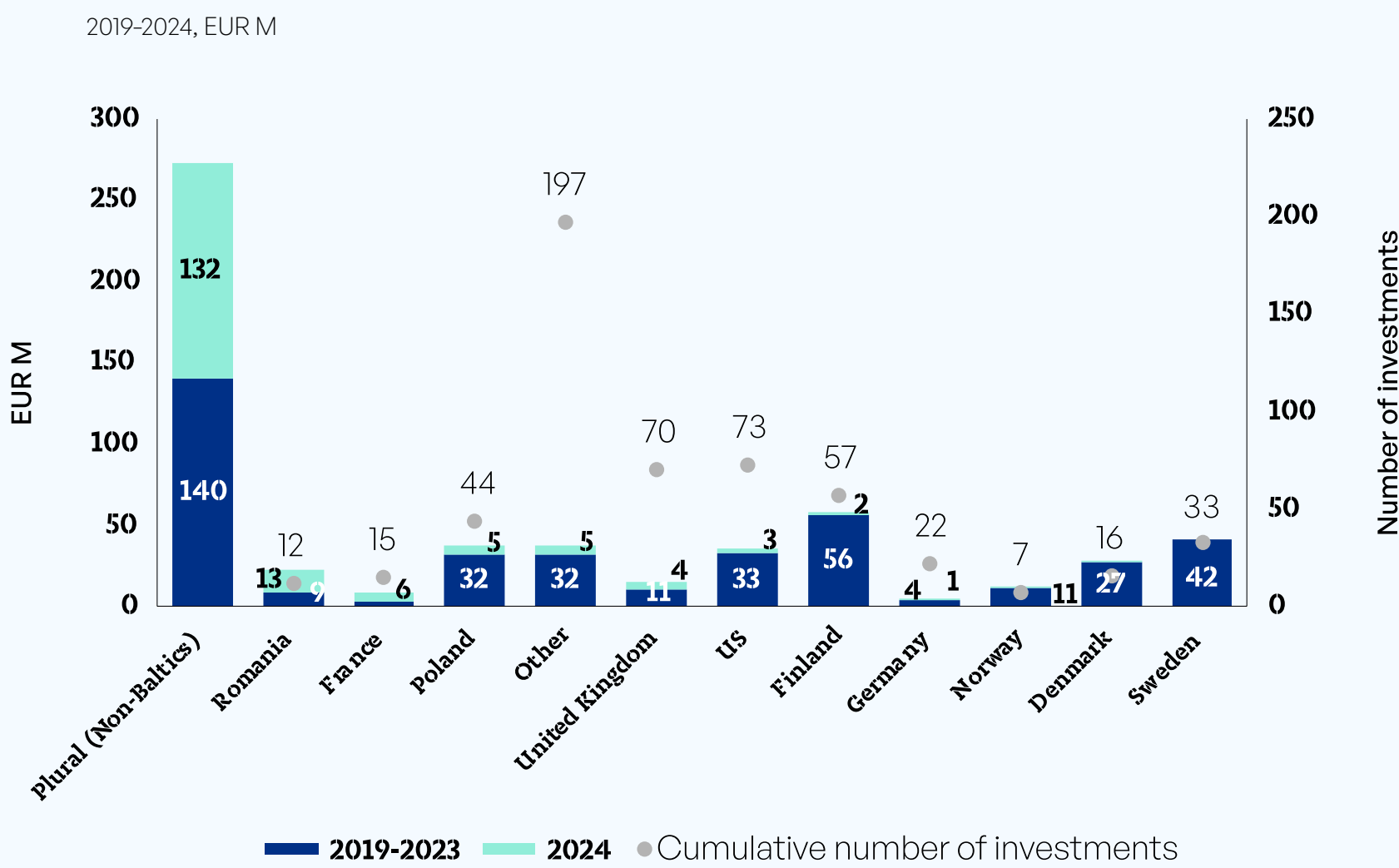


# Investments

## – Outbound

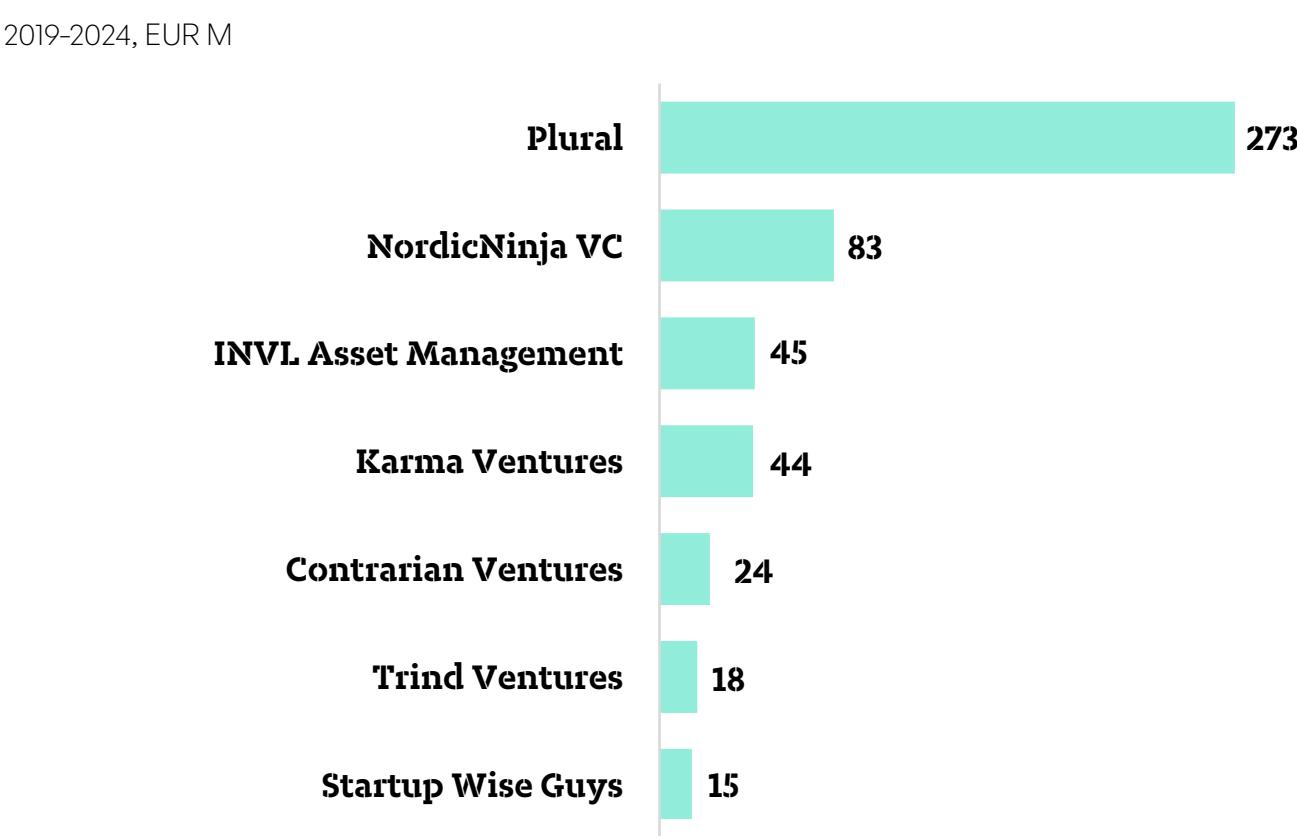
OUTBOUND INVESTMENTS MADE BY THE  
BALTICS PE/VC FUNDS IN 2019-2024

### INVESTMENTS BY OUTBOUND COUNTRY INCL. COUNT



→ In 2024, there was €173 million of outbound investment, a record amount by Baltic fund managers, which made up 53% of the total €324 million invested during the year. The growth in outbound investment is driven by the increasing share of funds having a multi-country investment strategy and also the strong outbound activity of Plural. The average deal size for outbound investments was €1.8 million, which is considerably higher than the €0.7 million average investment size for Baltic companies. On a country basis, in 2024 most outbound investment went into Romania, France and Poland, whilst 3 new investment destinations were added: Belgium, Chile and Serbia.

### TOP FUNDS BY OUTBOUND INVESTMENT AMOUNT



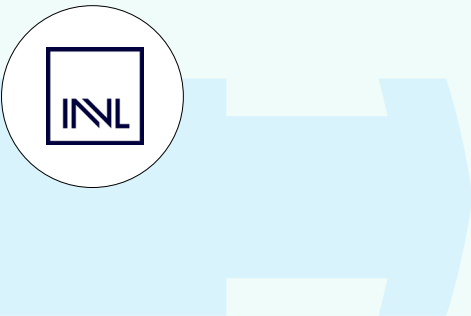
→ Since 2019, Baltic VC funds have made outbound investments totalling €502 million, with over 25 VC fund managers having made at least one investment outside of the Baltics. Plural has invested the largest amount of capital outside of the Baltics, with €273 million deployed by the end of 2024. Other active outbound investors include NordicNinja VC, Karma Ventures, Contrarian Ventures, Trind Ventures and Startup Wise Guys.

Since 2019, Baltic PE funds have made outbound investments of €74 million, with over 5 PE fund managers having made at least one investment outside of the Baltics. INVL has been the most active PE fund manager investing €45 million outside of the Baltics.

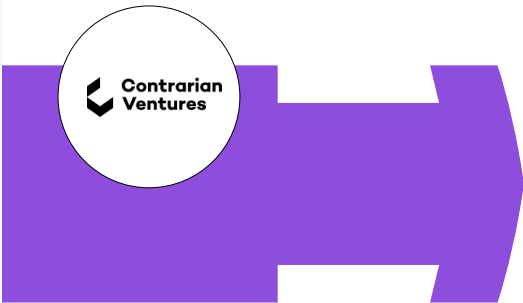
<sup>1</sup>The U.S also includes companies, which may have a different origin, but have moved their headquarters to the U.S. Plural did not provide a per country breakdown.

# Investments

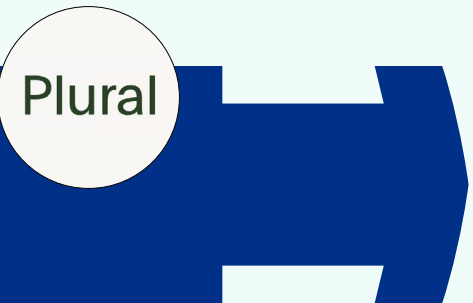
– Notable outbound investments by Baltic fund managers in 2024



**INVL BALTIC SEA GROWTH FUND** invested in Pehart, a leading producer of household and industrial paper products, based in Romania.



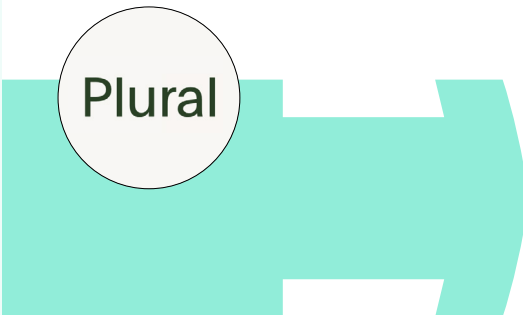
**CONTRARIAN VENTURES NET ZERO 2022** co-led the pre-seed round of French deep tech startup, Altrove, creating sustainable alternatives for critical materials.



**PLURAL** partook in Helsing's €450 million Series C round, a German-based defense-tech developing AI-powered military solutions and components.



**KARMA VENTURES II SCSP** co-led the Series A round of French Bforeai, provider of AI-driven predictive cybersecurity.



**PLURAL** joined UK-based Oriole Networks in a €20 million Series A round to develop tech to train LLMs exponentially faster.

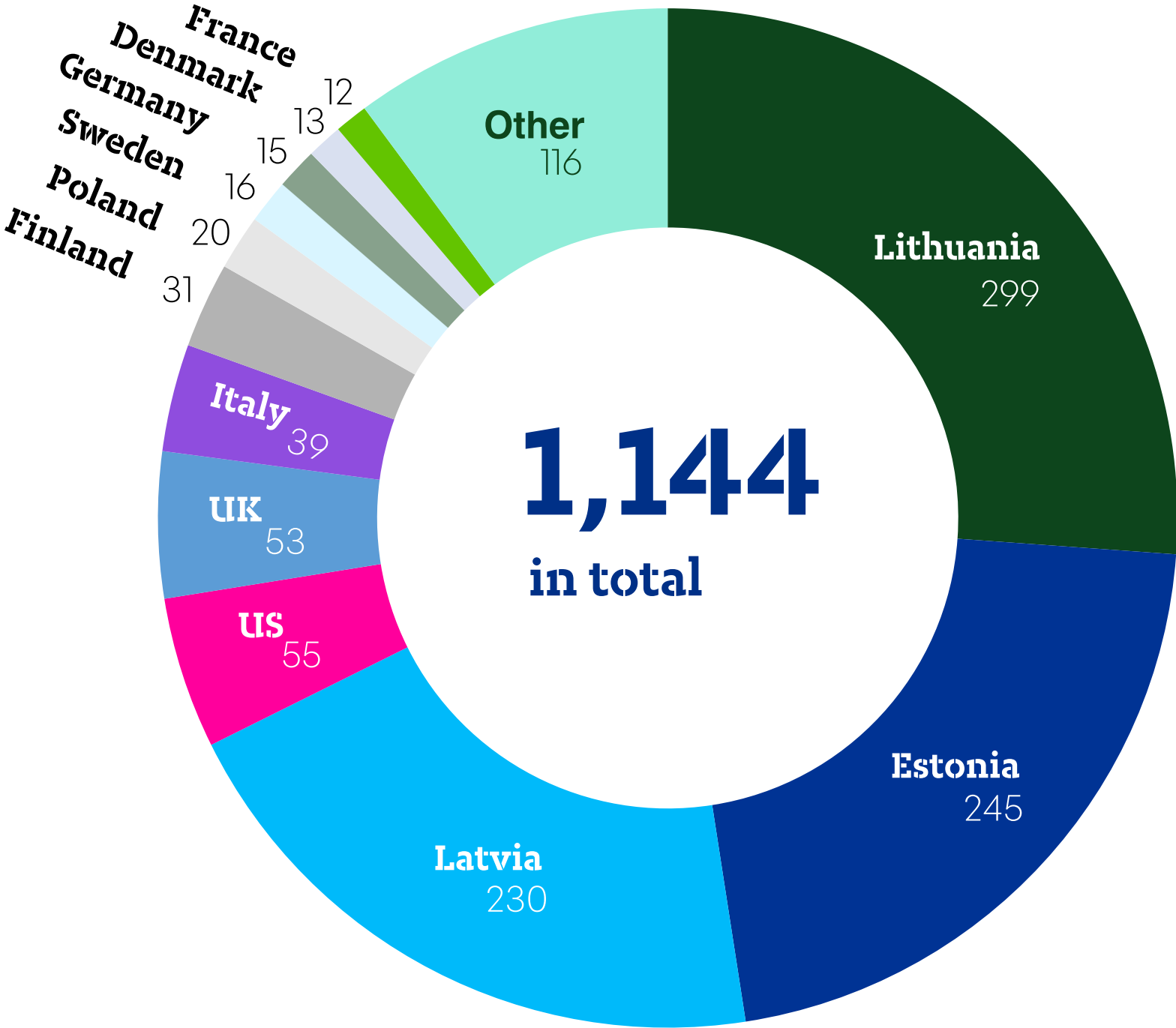
# Investments

## – Portfolio companies

→ The number of active portfolio companies held by Baltic funds as at the end of 2024 reached 1,144. Of those 68% or 774 are headquartered in the Baltics, with roughly an equal split in each of the Baltic states. 277 companies are headquartered in the rest of Europe, of which the top three destinations are the UK (53), Italy (39) and Finland (31). The remaining companies are spread around the globe with the U.S (55) being the largest non-European destination. In terms of workforce, outbound portfolio companies have, on average, twice as many employees as Baltic companies.

NUMBER OF ACTIVE PORTFOLIO COMPANIES **BY HQ**

As at 31 December 2024, those which have not yet been divested

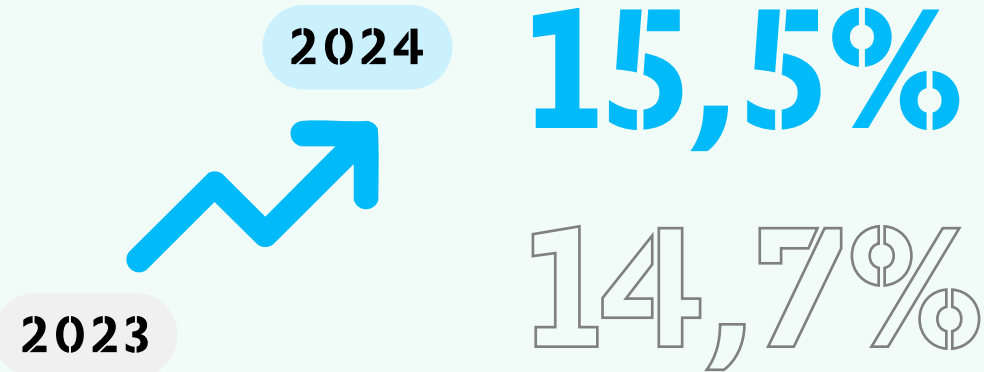


Not all funds provided detailed data for their portfolio companies, therefore the results presented may not provide full representation. As some funds became historicals only (ceased reporting), some of their portfolio companies may be falsely listed as active.

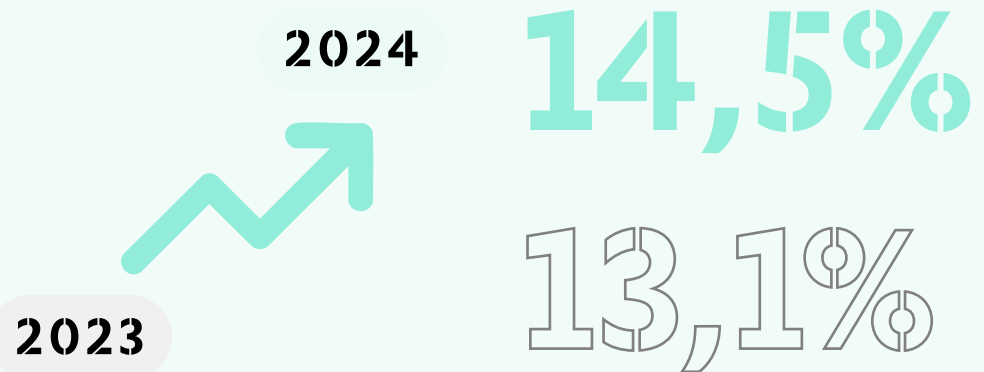
# Investments

## – Portfolio companies

PERCENTAGE OF FEMALE BOARD MEMBERS **IN BALTIC PORTFOLIO COMPANIES AS AT THE END OF**

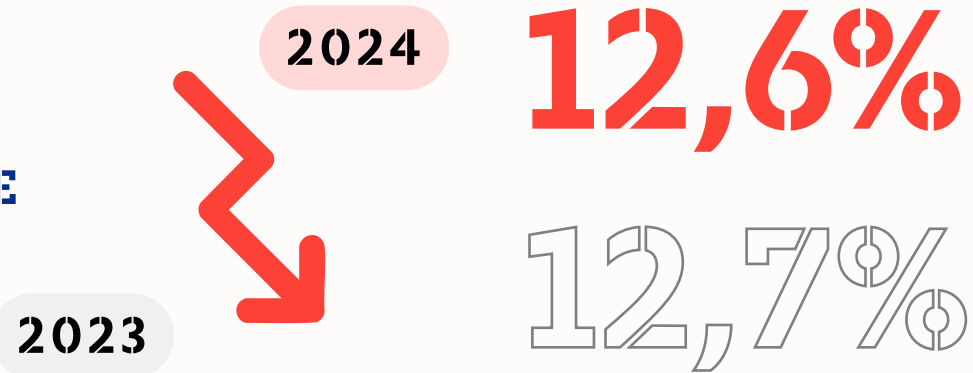


PERCENTAGE OF FEMALE CEOS **IN BALTIC PORTFOLIO COMPANIES AS AT THE END OF**

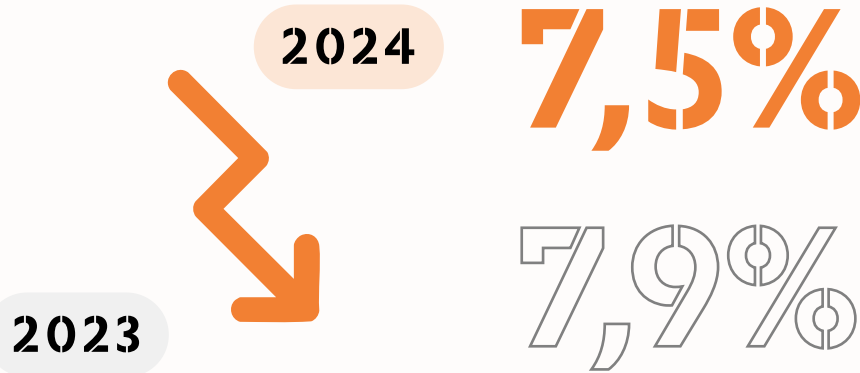


“The share of female participation in high level positions for Baltic portfolio companies is increasing, and is higher compared to outbound portfolio companies.”

PERCENTAGE OF FEMALE BOARD MEMBERS **IN OUTBOUND PORTFOLIO COMPANIES AS AT THE END OF THE END OF**



PERCENTAGE OF FEMALE CEOS **IN OUTBOUND PORTFOLIO COMPANIES AS AT THE END OF**



Not all funds provided detailed data for their portfolio companies, therefore the results presented may not provide full representation. As some funds became historicals only (ceased reporting), some of their portfolio companies may be falsely listed as active.

A light blue map of the Baltic region, including parts of Poland, Lithuania, Latvia, and Estonia, is positioned on the left side of the slide. The map is partially obscured by a dark blue border.

Baltics Divestments

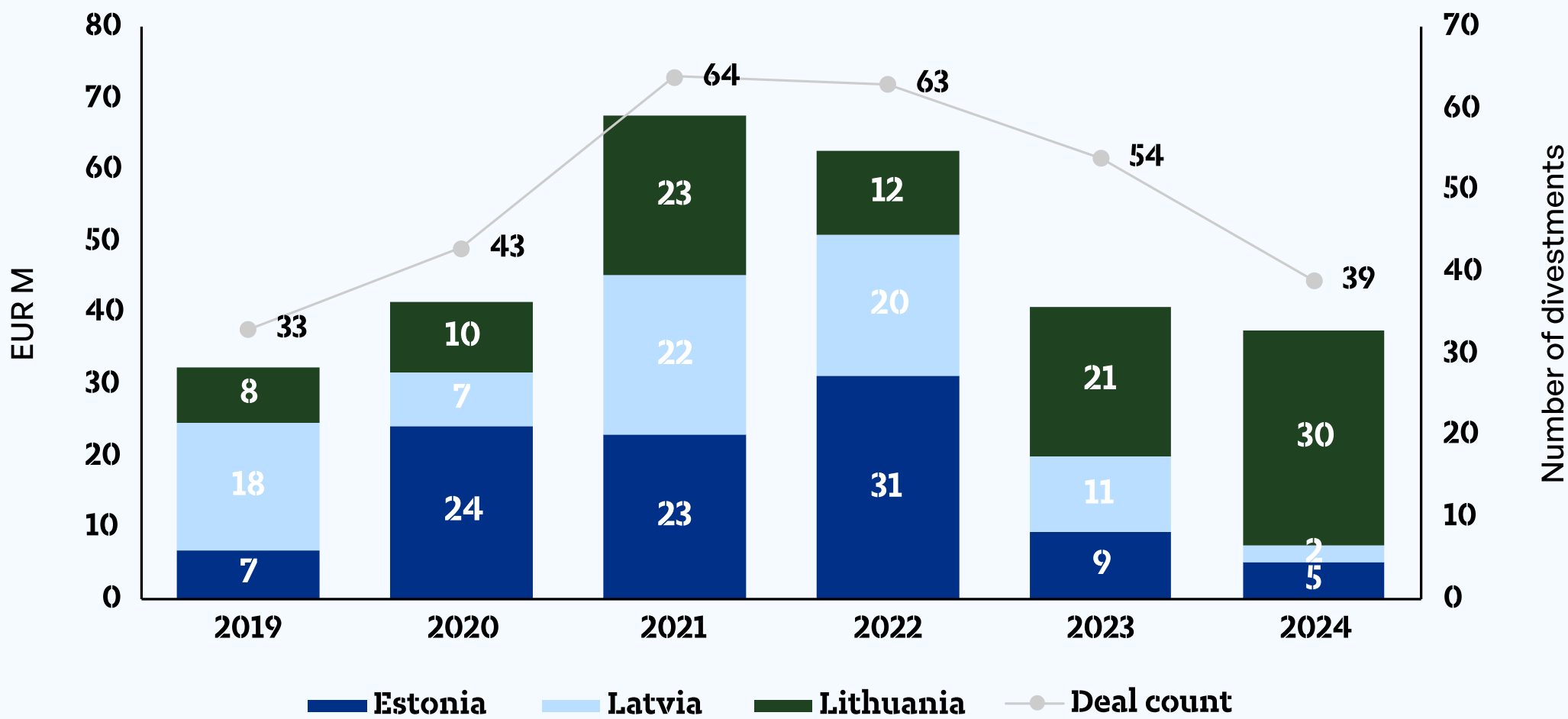
Private Equity & Venture  
Capital in the Baltics



# Divestments

## DIVESTMENTS AT COST IN THE BALTICS INCL. COUNT

2019-2024, EUR M



Divestments are at cost, they do not factor in capital gains/losses. To note that outbound divestments are not presented in this report.

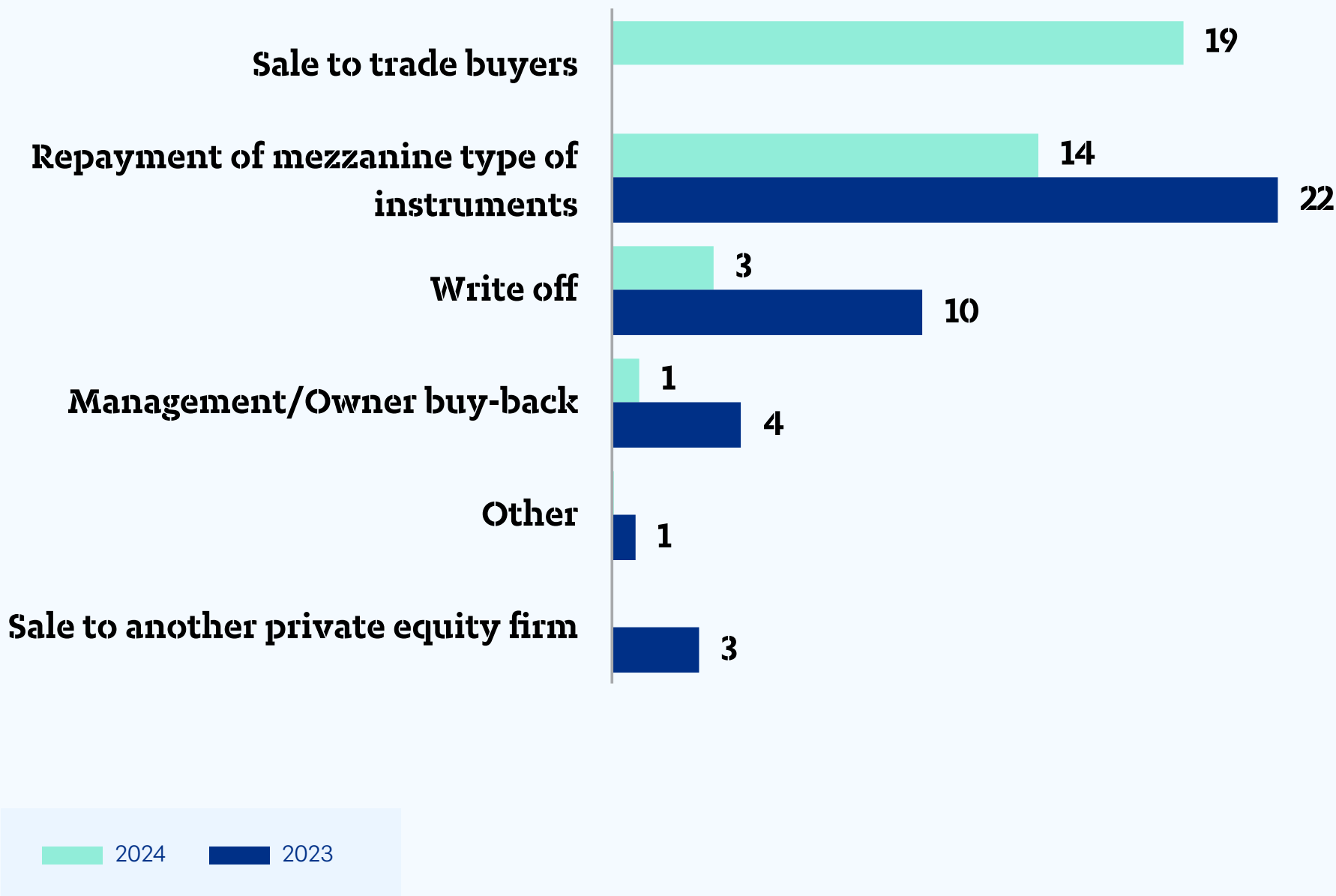
- Continued challenging economic backdrop and ever-changing geopolitical environment put downward pressure on valuations, leading to the postponement of several exits. Exit value at cost decreased by 8% to €38 million, with the number of exits dropping more - by 28% to 39.
- Nevertheless, quality mature assets continue to attract investor interest despite market headwinds - PE funds accounted for approximately 85% of total exit value at cost across 11 transactions, up from two-thirds in 2023.
- Most of the exit value at cost (80%) and transactions (53%) were observed in Lithuania, which on a wider macro level has achieved stronger economic performance & growth than its neighbors.
- Concentration of divestments in exit value was large - top 4 reported exits accounted for 72% of total divested value at cost.

**“Divestment activity in 2024 remained subdued, as geopolitical uncertainty and continued lower valuations discouraged some investors to facilitate exits”**

# Divestments

## EXIT VALUE IN BALTICS BY TYPE

EUR M

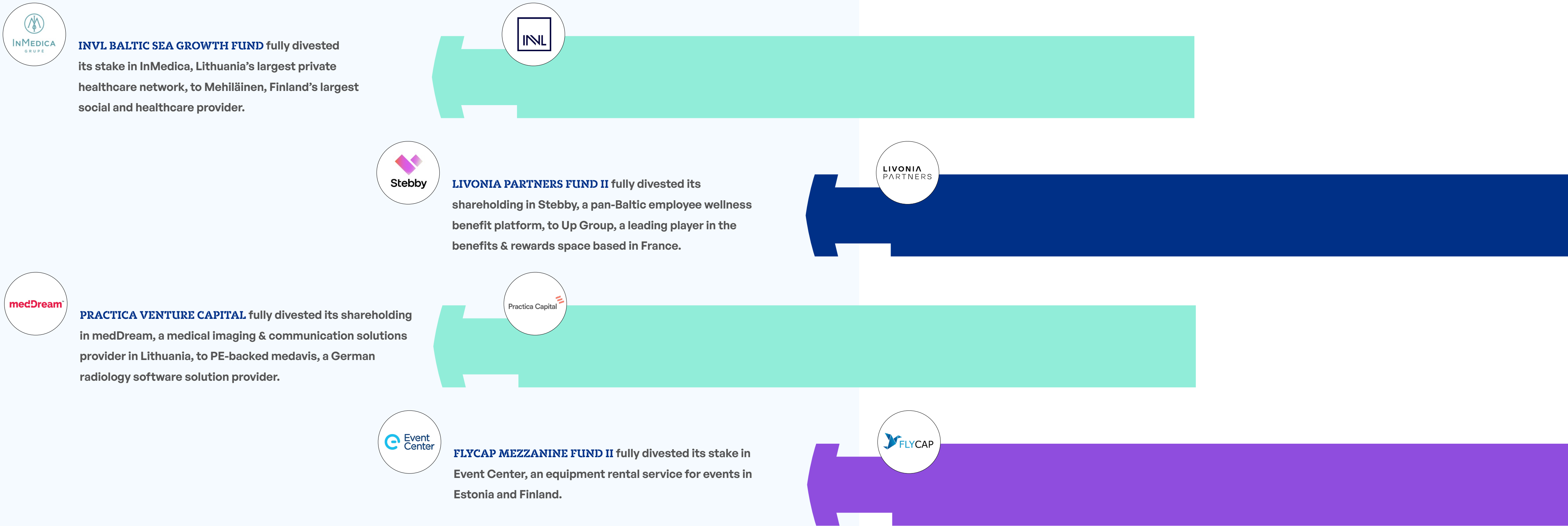


- In contrast to the previous year, 2024 saw a notable rebound in both exit value and the number divestments to trade buyers, returning to levels seen in 2020–2022. Meanwhile, exits to other PE firms fell to zero for the first time since 2017.
- Repayment of mezzanine-type instruments (such as preference shares and loans) was the second most common exit route by value, totaling €14 million across 11 transactions.
- Despite a persistently challenging economic environment, marked by inflationary pressures and high capital costs, the number of write-offs in 2024 was significantly lower than in 2023. This suggests that the wave of post-COVID bankruptcies may have passed and that portfolios have become more resilient.
- With regards to fund strategy, most divestments by count were related to early venture companies.

Divestments are at cost, they do not factor in capital gains/losses. To note that outbound divestments are not presented in this report.

# Divestments

– Notable divestments by Baltic funds during 2024





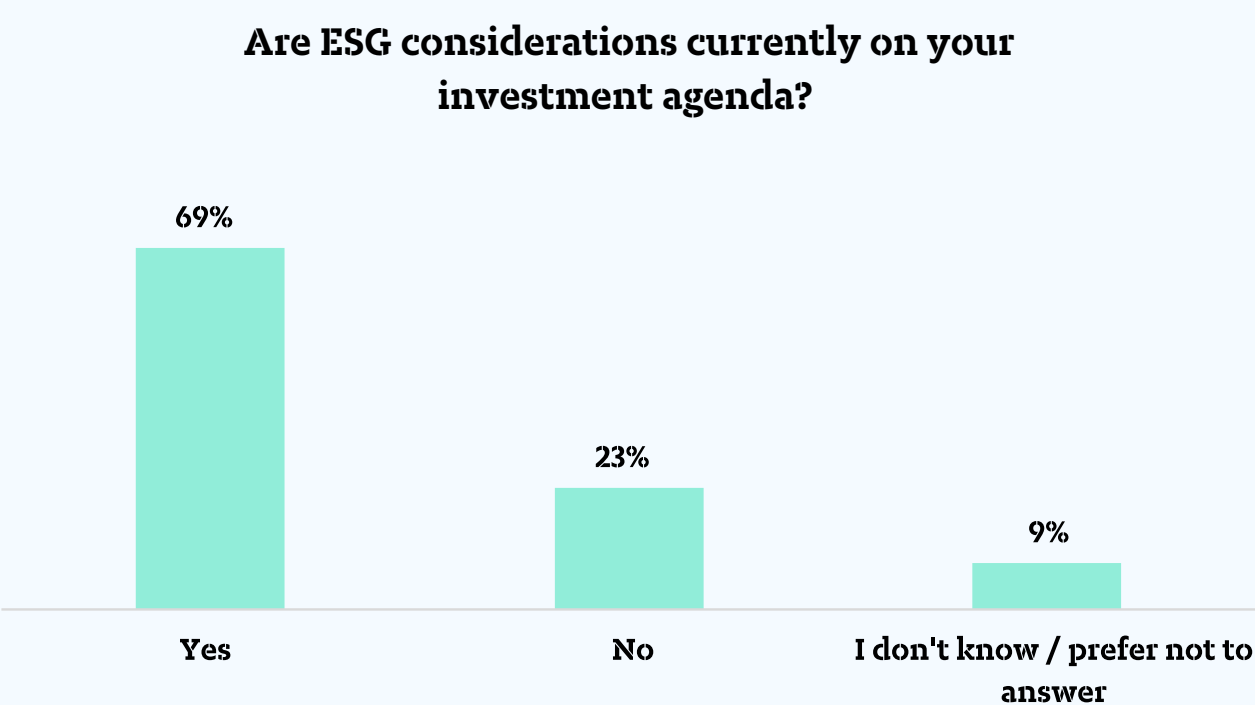
ESG & market sentiment

Private Equity & Venture  
Capital in the Baltics

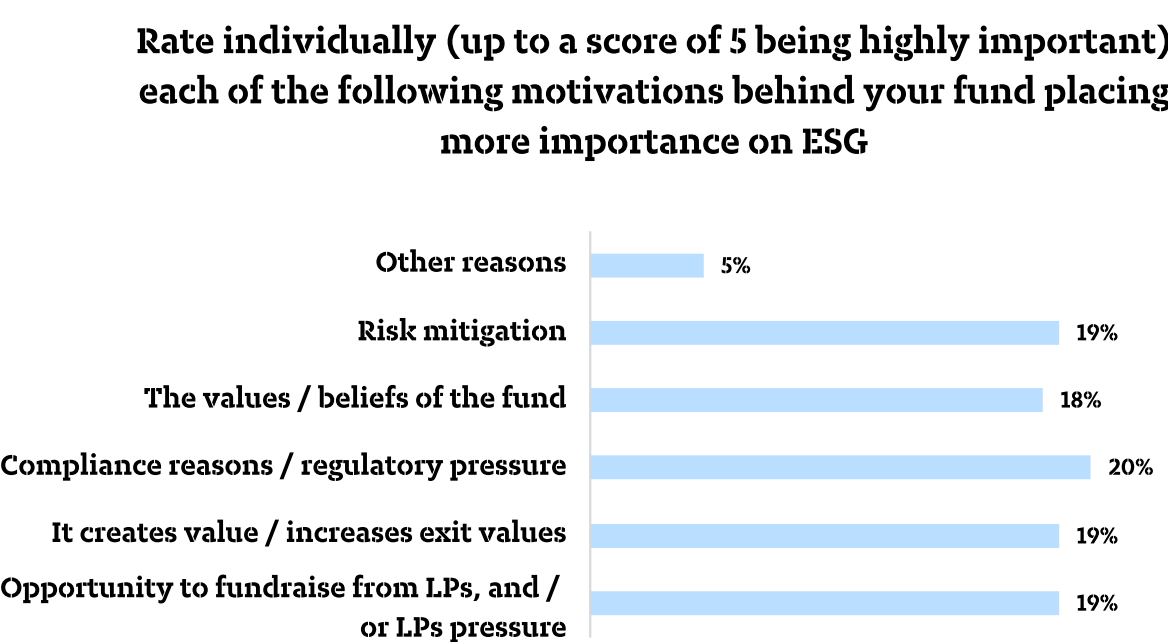
# ESG

## – The nexus between Baltic PE/VC and ESG

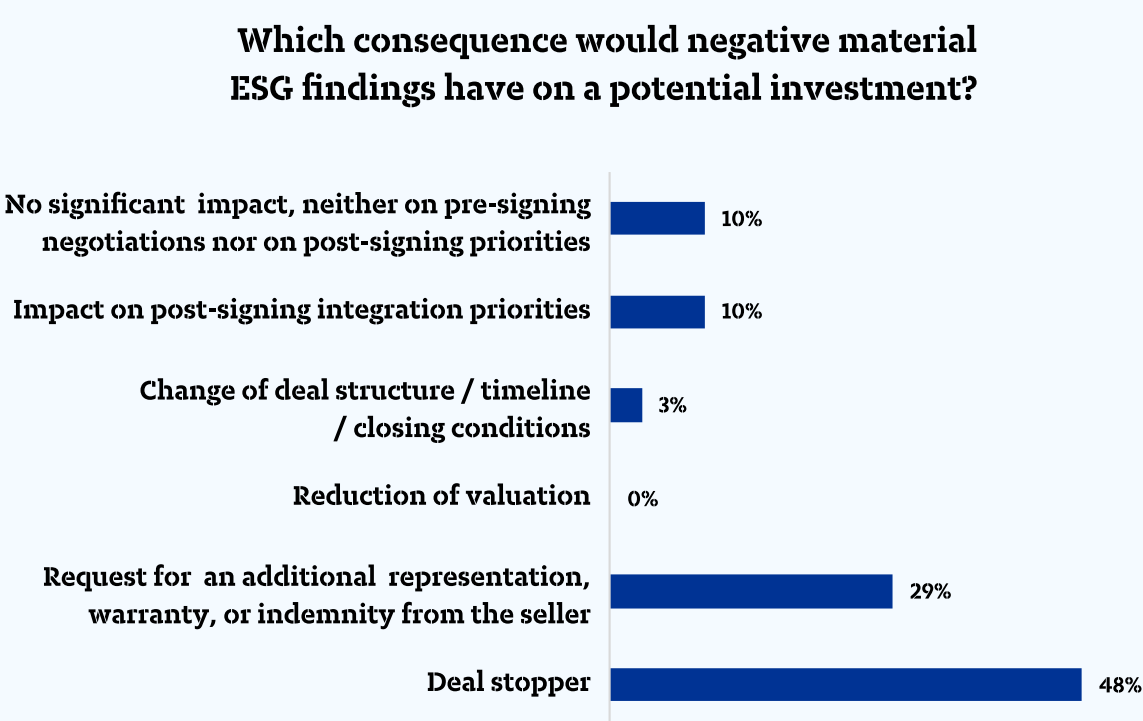
95% or 36 fund managers<sup>1</sup> responded to the separate questionnaire, which gathers insight on the role of and attitude towards environmental, social and governance (ESG) factors within the Baltics PE/VC investment space.



→ Out of those surveyed, 31 funds are at least Article 6, of which 16 are Article 8 or above. Several funds that were not yet Article 9 compliant noted that they were going through the process of achieving Article 9 status. Two-thirds of fund managers surveyed indicated that ESG considerations are part of their investment agenda. However, opinions are divided on whether the focus and influence of ESG will grow or decline in the near future, given the evolving geopolitical and regulatory landscape.



→ When it comes to key motivations for prioritizing ESG matters, responses were relatively evenly distributed across the main answer categories. This marks a slight shift from last year, when over 25% of respondents cited fund beliefs and values as the primary driver, while only 15% identified risk mitigation as a key motivator.



→ The consequences of negative material ESG findings on a potential investment can be significant, with almost half of respondents suggesting it would be a ‘deal stopper’ for them (one-third last year), while another 28% said they would ‘request for an additional representation, warranty, or indemnity from the counterparty’. Further, only 10% of funds said that a negative material ESG finding would have ‘no significant impact’ on a deal, much less than the 29% reported last year.

<sup>1</sup>The total number of potential respondents is 38 as it excludes historical only funds.

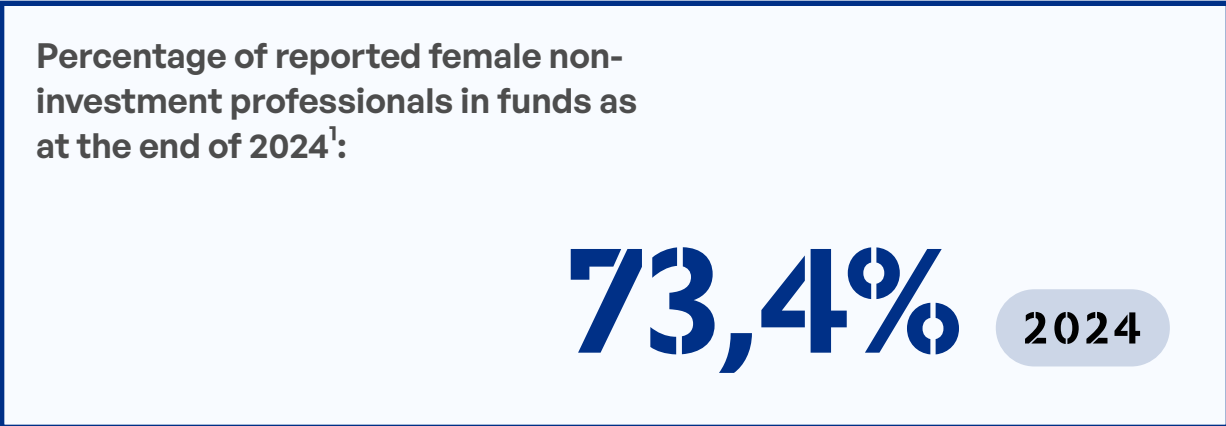
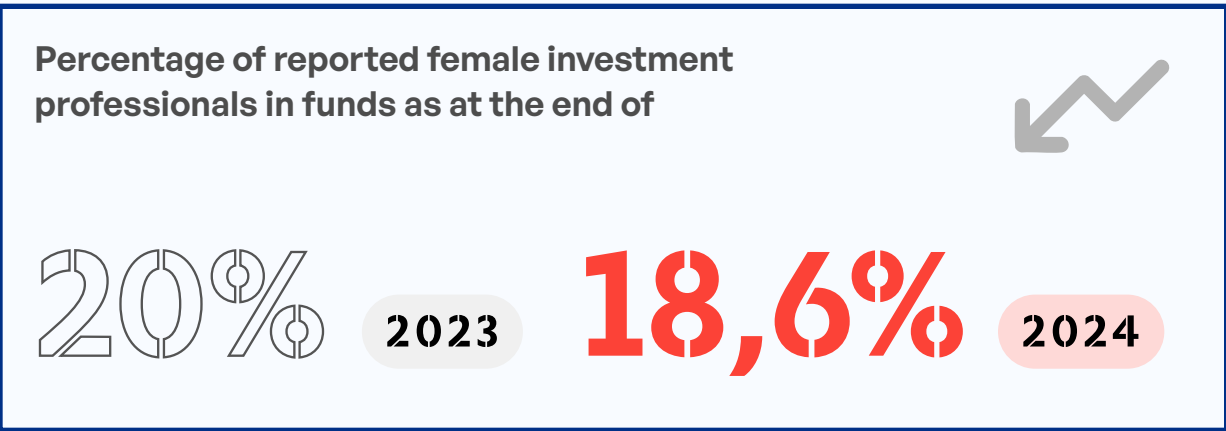
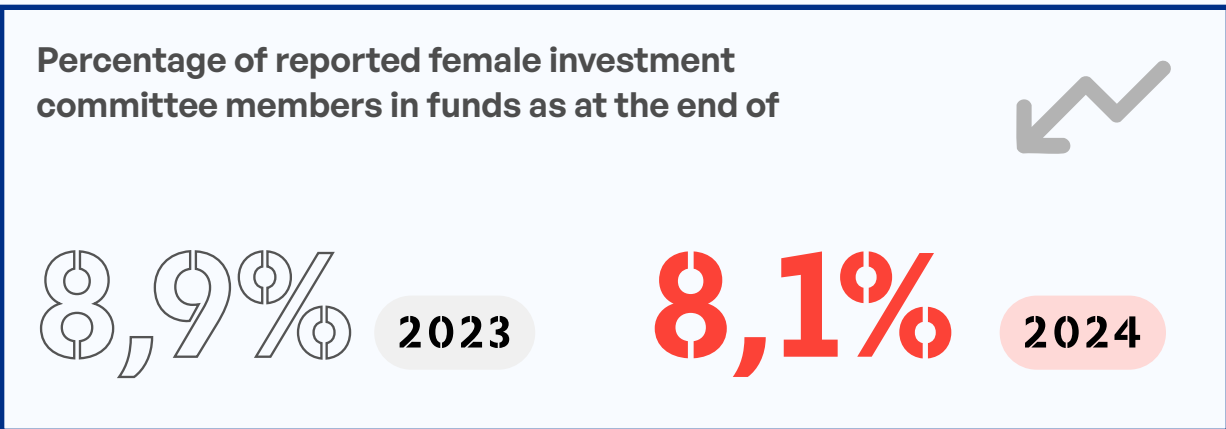


# Baltic PE / VC funds

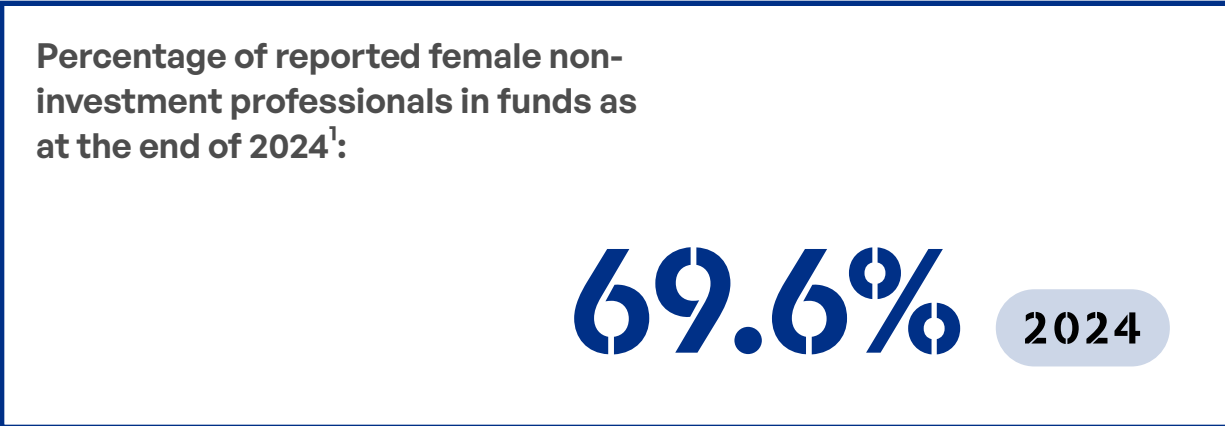
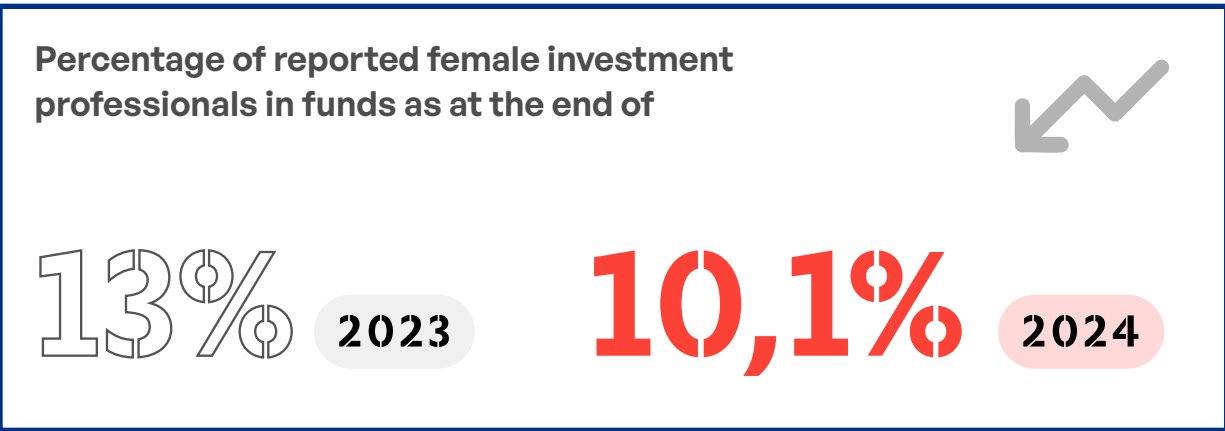
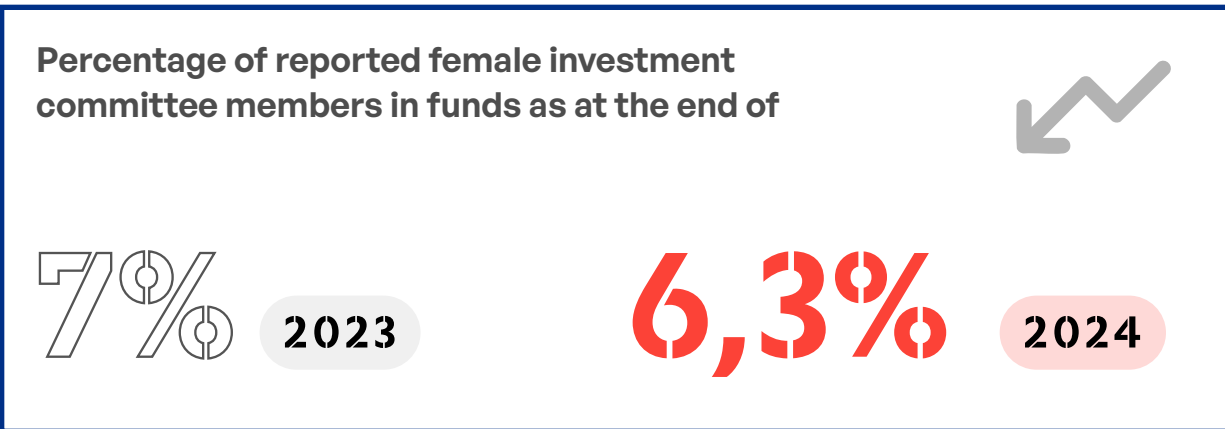
## through the lens of gender balance

“After seeing improvements in prior years, representation of female employees at the investment committee and investment professional levels declined in 2024 both within PE & VC funds.”

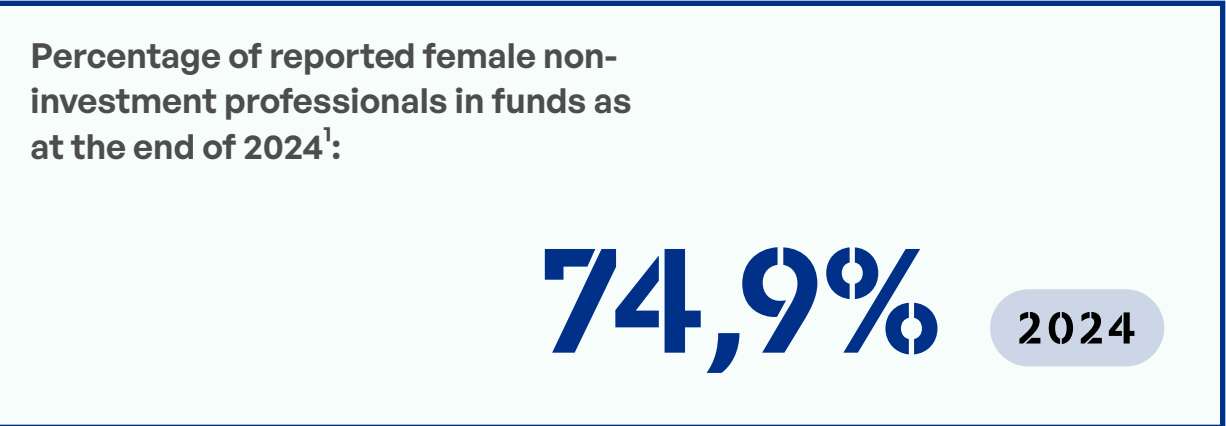
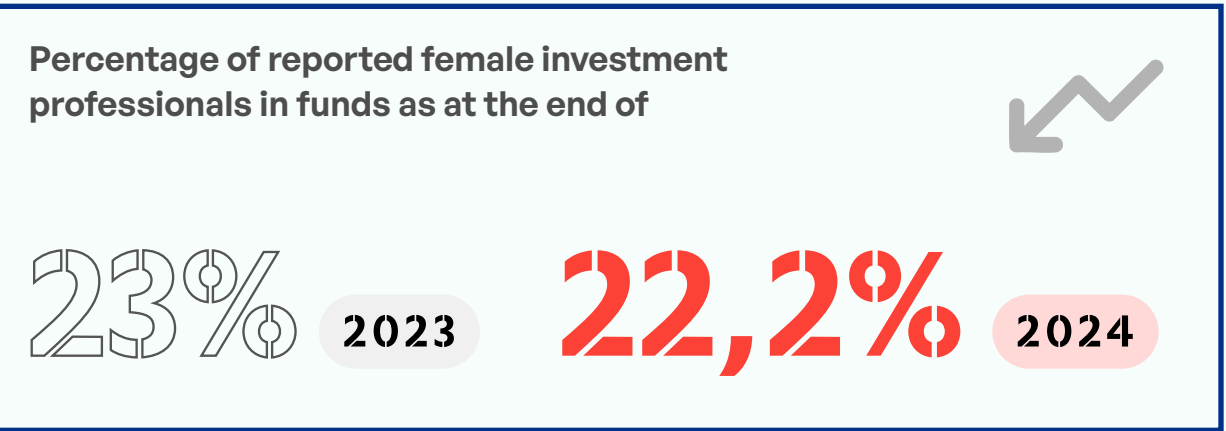
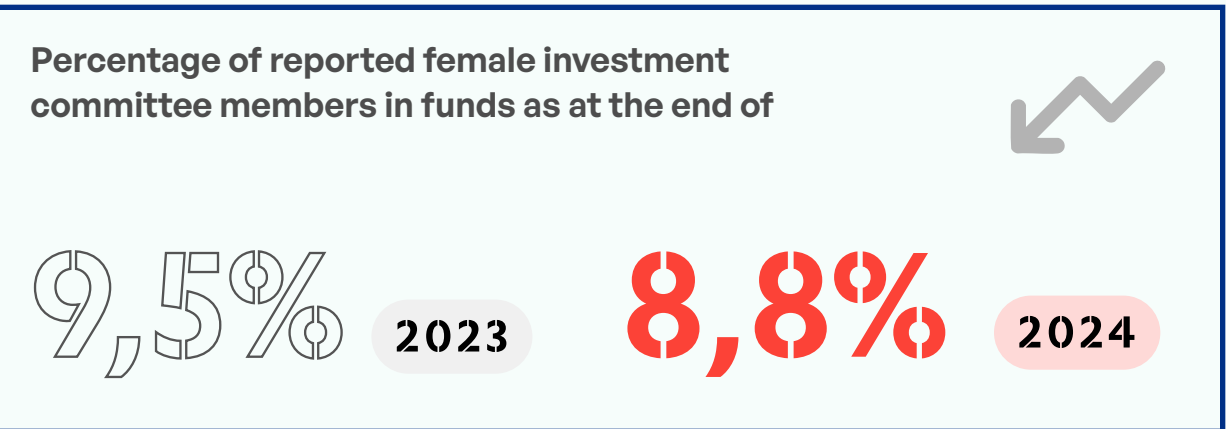
### PE/VC FUNDS



### PE FUNDS



### VC FUNDS



<sup>1</sup>We changed the form in which we ask for gender data, hence there is no 2023 comparison for non-investment professionals.

# Market Sentiment

“2024 was a difficult year, yet most Baltic fund managers anticipate conditions to improve in 2025”

A new questionnaire was introduced to gather additional insights from all fund managers regarding their perspective on the market conditions in 2024, as well as their expectations for 2025. 87% or 33 fund managers<sup>1</sup> responded to the market sentiment questionnaire.

## FUNDRAISING

- In aggregate, fund managers found fundraising to be 15% more difficult in 2024, with only a small minority believing that conditions improved compared to 2023.
- Looking forward, the fundraising environment in 2025 is expected to be better than in 2024, but still complex and not on the same levels seen in prior years. Based on recent geopolitical decisions, it is likely that the expectations may have further decreased.

“Difficult in 2024, soft improvement expected in 2025”

## INVESTMENT OPPORTUNITIES

- Fund managers are most positive about the quantity of investment opportunities, with 55% of respondents agreeing that the number opportunities increased in 2024.
- Looking ahead to 2025, sentiment is even more bullish, with 70% of fund managers expecting more investment opportunities to emerge compared to the previous 12 months.

55%

of respondents reported that there were more in 2024 vs 2023

70%

of respondents expect even more opportunities in 2025

## FOREIGN LP ATTRACTION

- General partners (GPs) found attracting foreign LPs 17% more difficult in 2024, driven by internal events in the Baltic investment landscape as well as continued geopolitical uncertainty in the region.
- In 2025, GPs expect attracting foreign capital to be even more challenging than it was in 2024.

17%  
more difficult in  
2024 vs 2023

## EXIT DIFFICULTY

- GPs perceived the exit environment to be slightly more challenging in 2024, although two-thirds are of the opinion that it remained similar to what was observed in 2023.
- In 2025 fund managers anticipate a better exit environment than both in 2023 & 2024, with only 15% expecting the exit environment to deteriorate.

66%

of respondents believed that it was unchanged between 2024 & 2023

“Expected rebound in exit activity in 2025”

<sup>1</sup>The total number of potential respondents is 38 as it excludes historical only funds. Please note that the survey was done in Jan-Feb’25 before the US tariff announcements.



# Estonia

## Private Equity & Venture Capital in the Baltics

# Estonian market

## – Key highlights

→ Over the period 2019 – 2024, Estonian LPs have provided 18% or €489 million of the total capital raised by Baltic PE/VC funds that invest into Estonia.

→ In 2024, Baltic PE/VC funds invested €44 million into Estonian companies across 80 transactions.

→ Investment activity was driven by VC funds, which accounted for 57% of the total amount invested into Estonian companies.

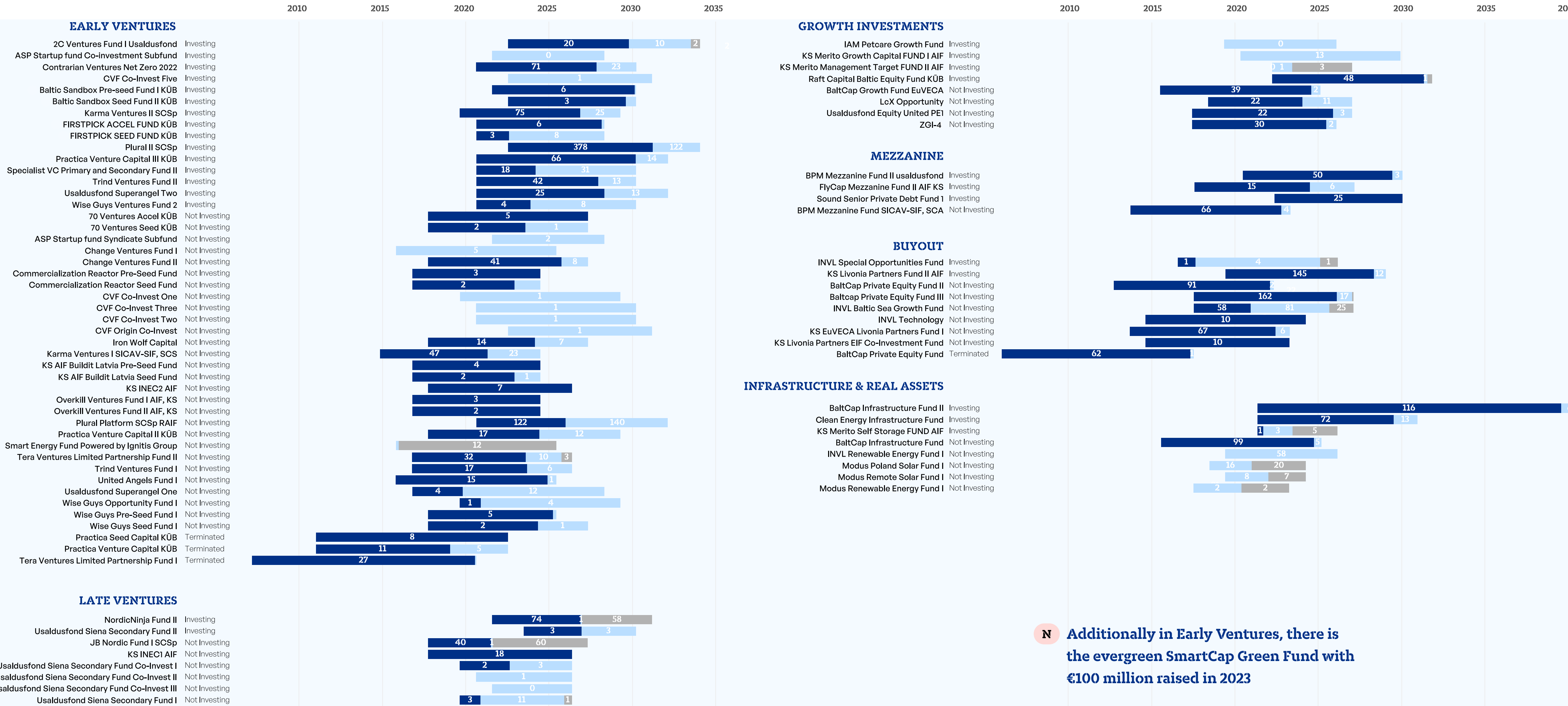
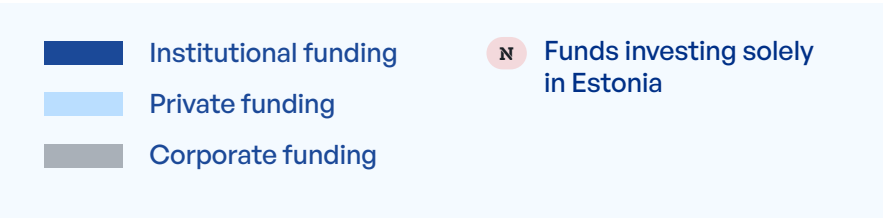
→ Similar to prior years, in 2024 the computer and consumer electronics sector continues to attract the most capital in Estonia.



# Estonia Market Highlights

as at 31st December 2024

Funds raised by funding source and fund period (vintage and termination year), EUR M<sup>1</sup>

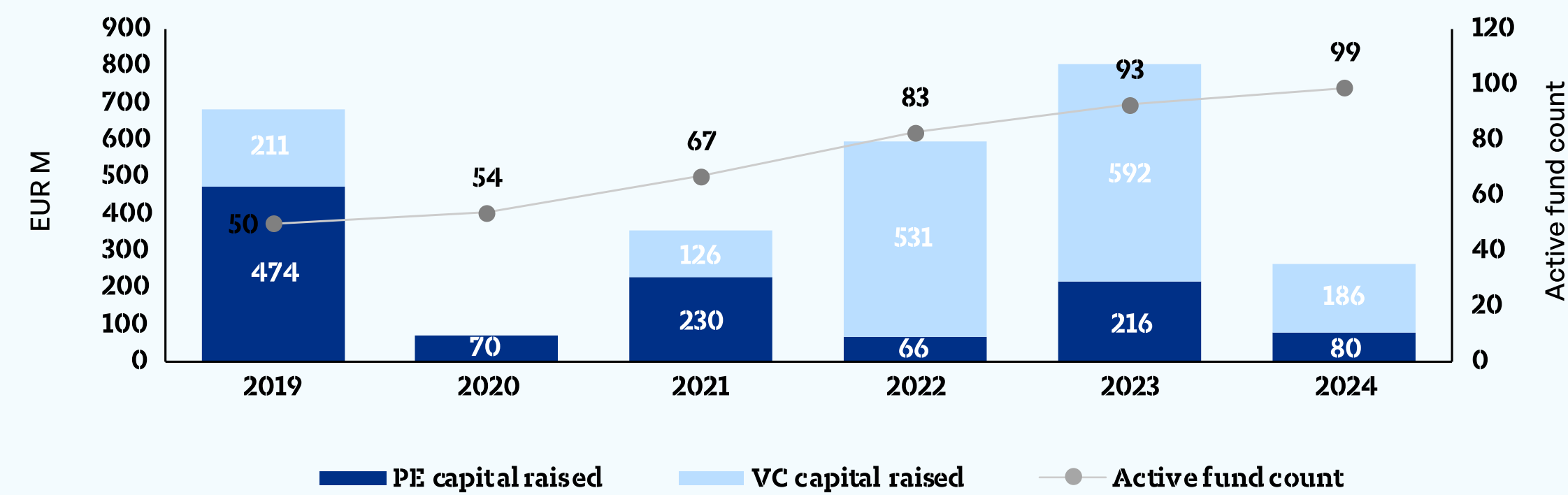




# Fundraising in Estonia

## TOTAL FUNDRAISING (SPLIT INTO VC & PE) INCL. ACTIVE FUND COUNT

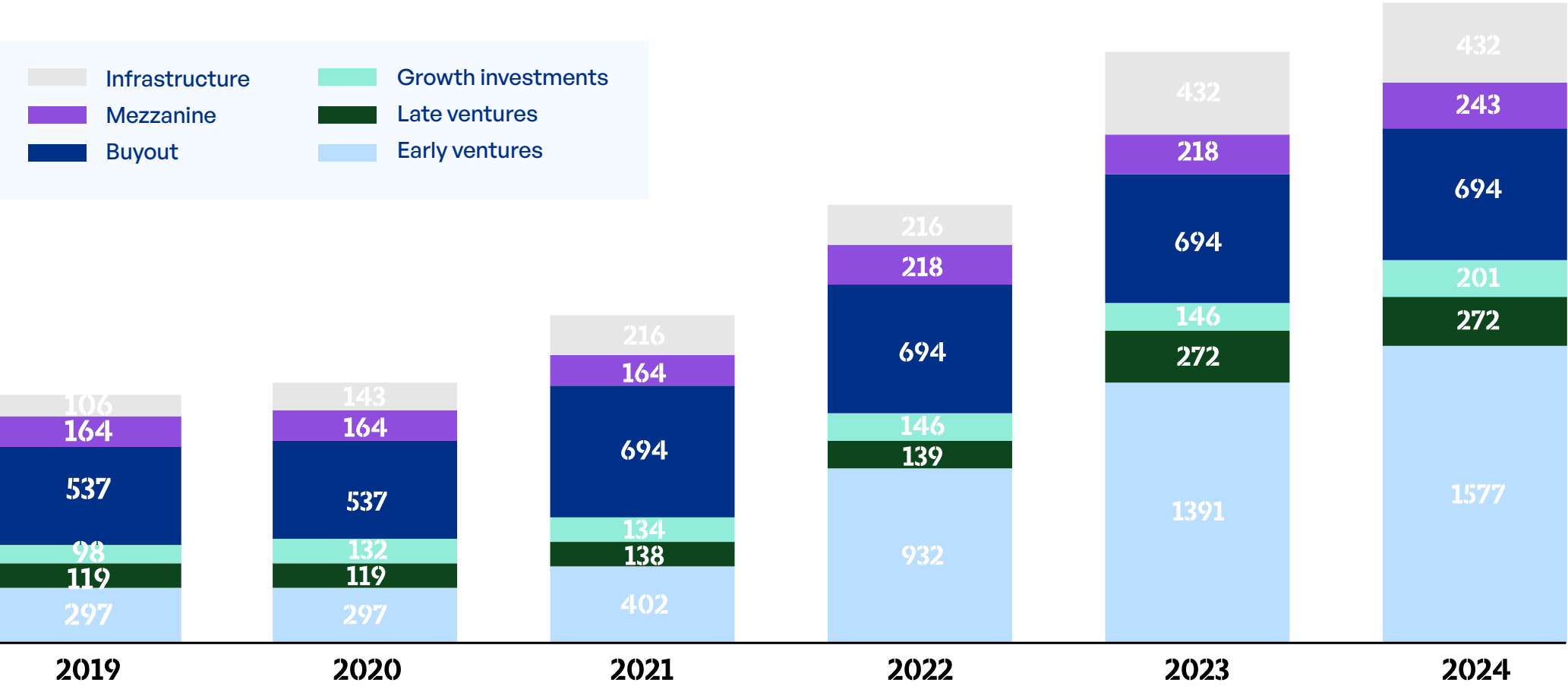
Capital raised annually during 2019-2024, EUR M<sup>1</sup>



→ Of the 7 new funds established in the year, all have a Pan-Baltic, Pan-European or global focus, as such no new fund had been established which focus purely on investing into Estonian based companies (also referred to as funds with a “National” focus). Overall over the last 6 years such funds with a National focus account for less than 4% of total capital raised.

## TOTAL CAPITAL RAISED BY PE/VC FUNDS BY FUND STAGE FOCUS

Cumulative capital raised in 2010-2024, EUR M<sup>2</sup>



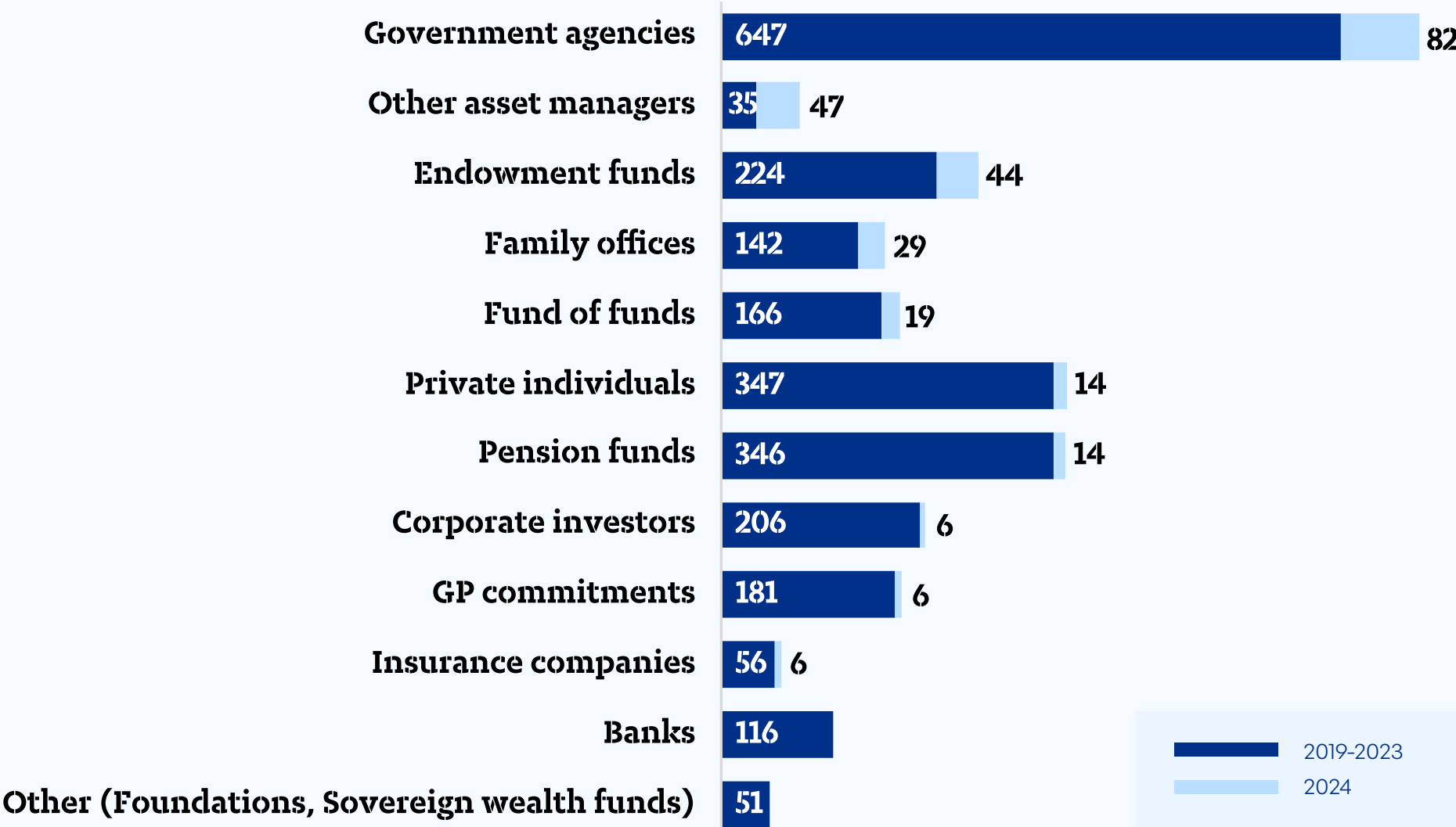
“Over the period 2010 to 2024, Baltic funds whose mandate is solely focused on or includes investing into Estonian companies have cumulatively raised €3.42 billion”

<sup>1</sup>Fundraising date is by the fund's vintage year. Note fundraising is similar across Baltics, Estonia, Latvia and Lithuania. Please see methodology section for further information. <sup>2</sup>2019 includes the cumulative fundraising since 2010. Given the addition of new fund managers which may have had historic funds, the historic numbers may have changed compared to last year's report.

# Fundraising in Estonia

## CAPITAL RAISED BY INVESTOR TYPE

2019-2024, EUR M<sup>1</sup>



→ Government agencies remain a key funding source for local fund managers, accounting for 31% of total capital raised in 2024, an increase from 26% over the 2019–2024 period.

→ Funds raised from pension funds in 2024 (€14 million) decreased considerably compared to prior years, which were reported as €98 million and €42 million in 2023 and 2022, respectively. This is most likely due to the fact that most fundraising in the year has been done by VC funds focusing on earlier stage investing, where pension fund activity and equity tickets provided are smaller.

→ On the other hand, it is positive to observe that significant capital is being raised from less traditional sources, such as other asset managers, endowment funds, family offices and fund of funds.

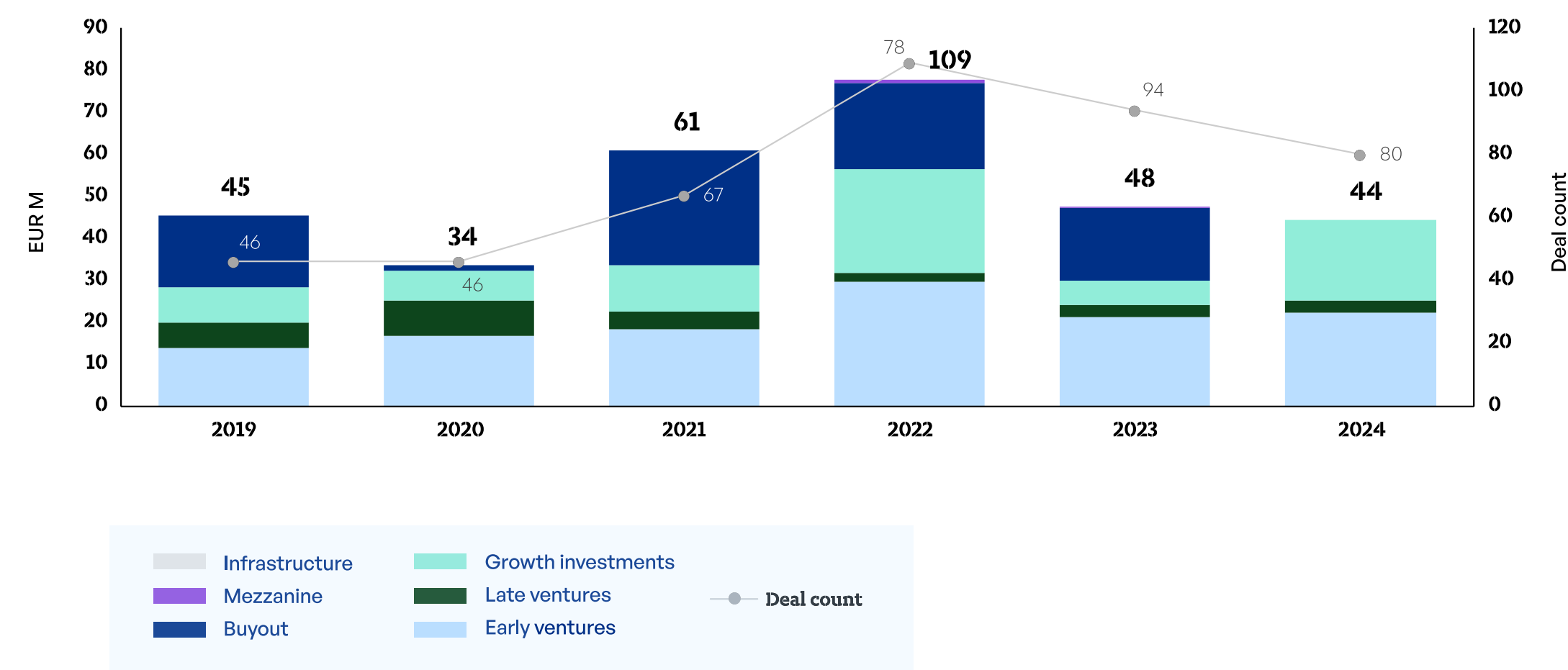
→ Of the total capital raised by funds since 2019, 18% or €489 million has come from investors based in Estonia, while for 2024 the figure was 14% or €38 million.

<sup>1</sup>Note fundraising is similar across Baltics, Estonia, Latvia and Lithuania. Please see methodology section for further information. Categories below a minimum threshold were left out.

# Investments in Estonia

## INVESTMENTS BY STAGE INCL. COUNT

2019-2024, EUR M

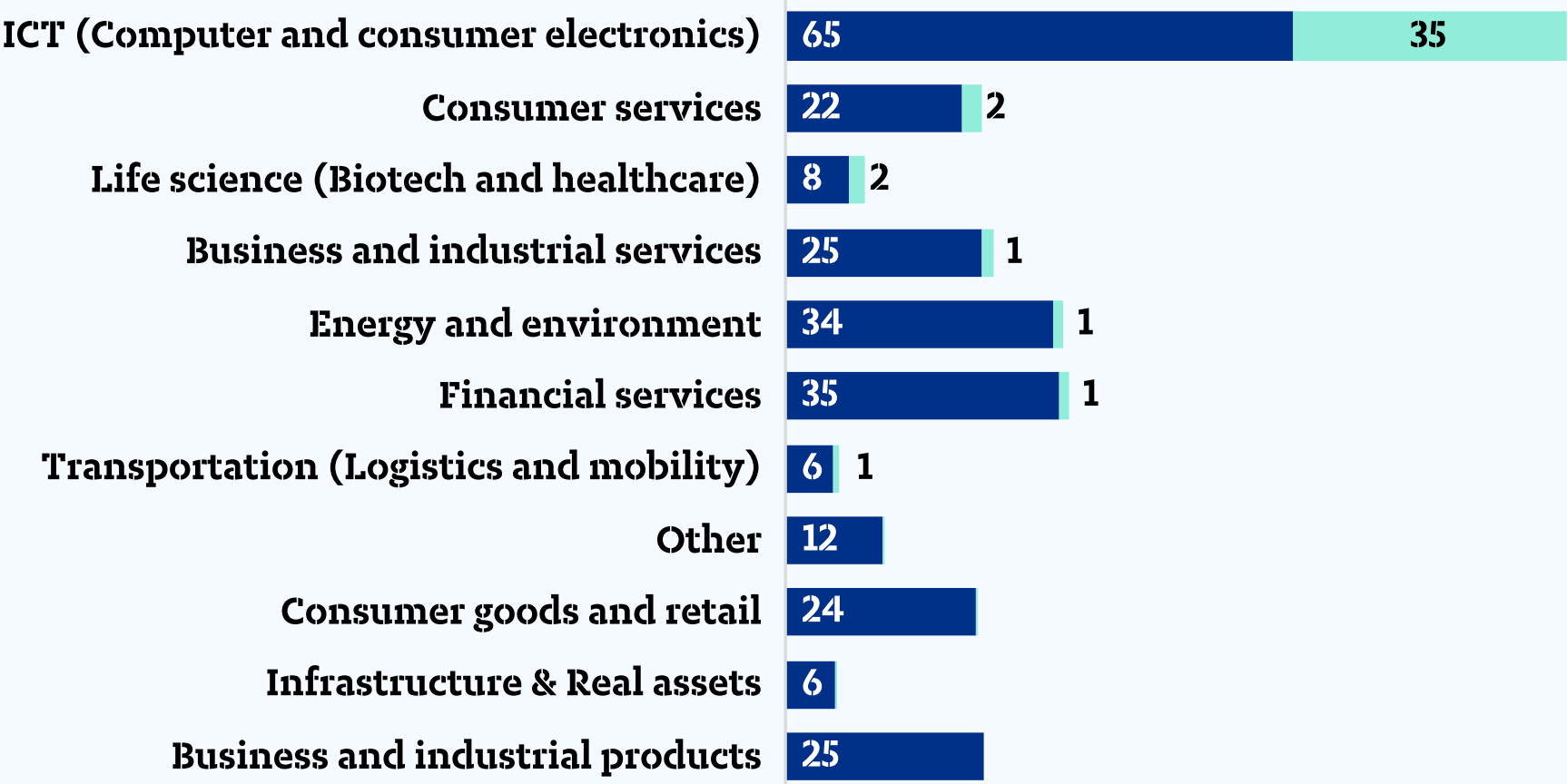


→ In 2024, the amount invested by Baltic funds in Estonian companies remained the most resilient, decreasing only 7% YoY to €44 million - similar to investment levels observed in 2019, 2020 and 2023. Investment was led by VC funds, which invested 57% of the total, while the remainder was covered by growth investments. Overall, early stage VC investment has remained the most resilient investment stage in Estonia over the years. Investment activity has decreased by slightly more than amount invested, as the number of deals closed dropped by 15% YoY, but remaining at a higher level to that seen pre-2022.

<sup>1</sup>Categories below a minimum threshold were left out.

## PE/VC INVESTMENT BY SECTOR

2019-2024, EUR M<sup>1</sup>



→ When investing into Estonia, Baltic funds heavily concentrated into the ICT sector, which received 78% of the total funds invested in 2024. The remaining investment activity was spread out among 6 other categories.

→ For the Baltic region overall, Estonia contributed 73% to the investment into the ICT sector, with its contribution to other sectors being at a much lower level.

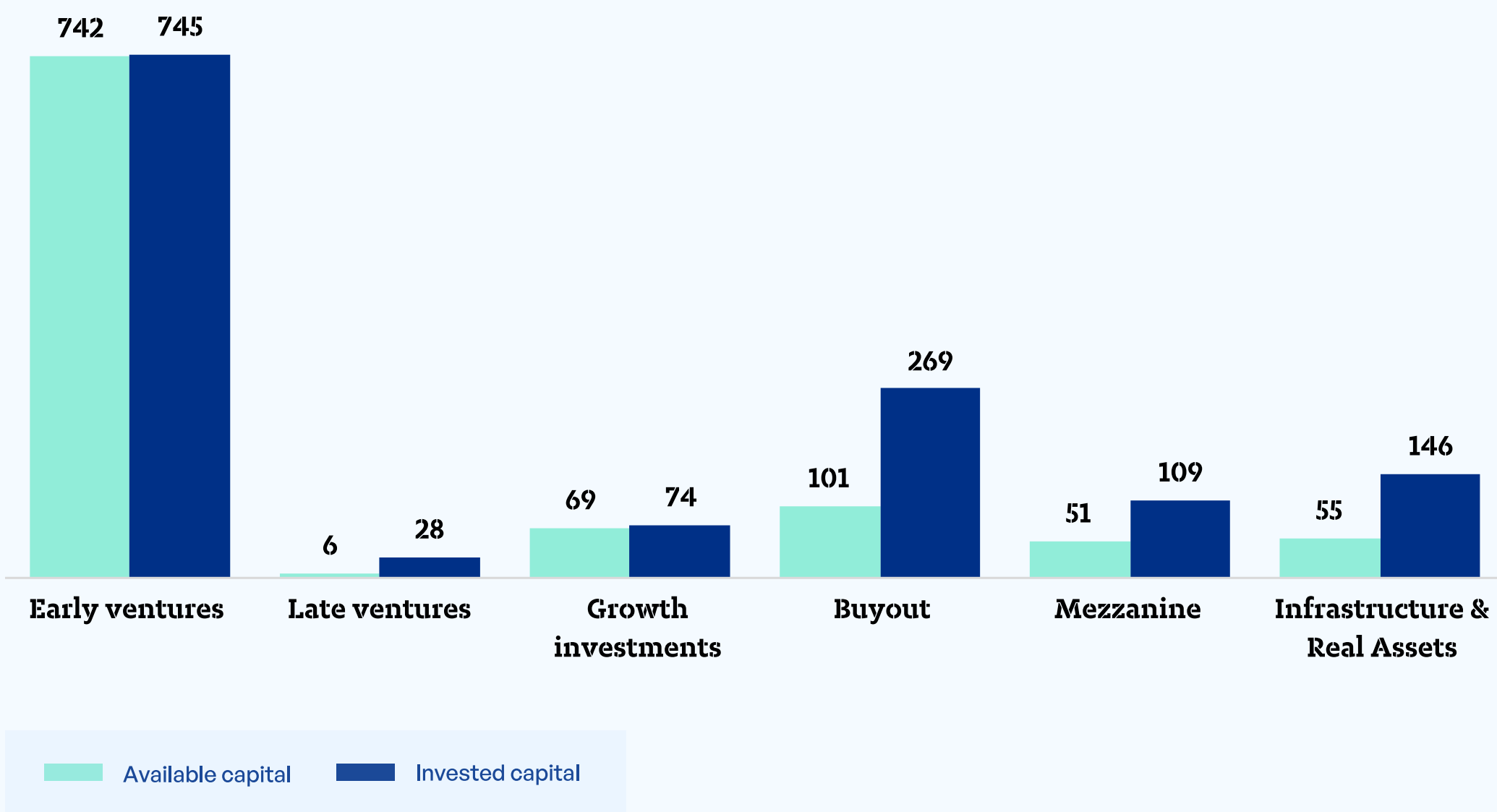
**“Investments in Estonian companies remained the most resilient across the Baltic states, decreasing YoY by 7% in 2024, with a total amount invested of €44 million across 80 transactions. ”**

# Invested capital in Estonia

## – Dry powder

### CAPITAL AVAILABLE FOR INVESTMENTS BY FUND’S STRATEGY

as at 31 December 2024, EUR M



“Baltic PE/VC funds hold €1.02 billion of capital available that can be invested into companies based in Estonia.”

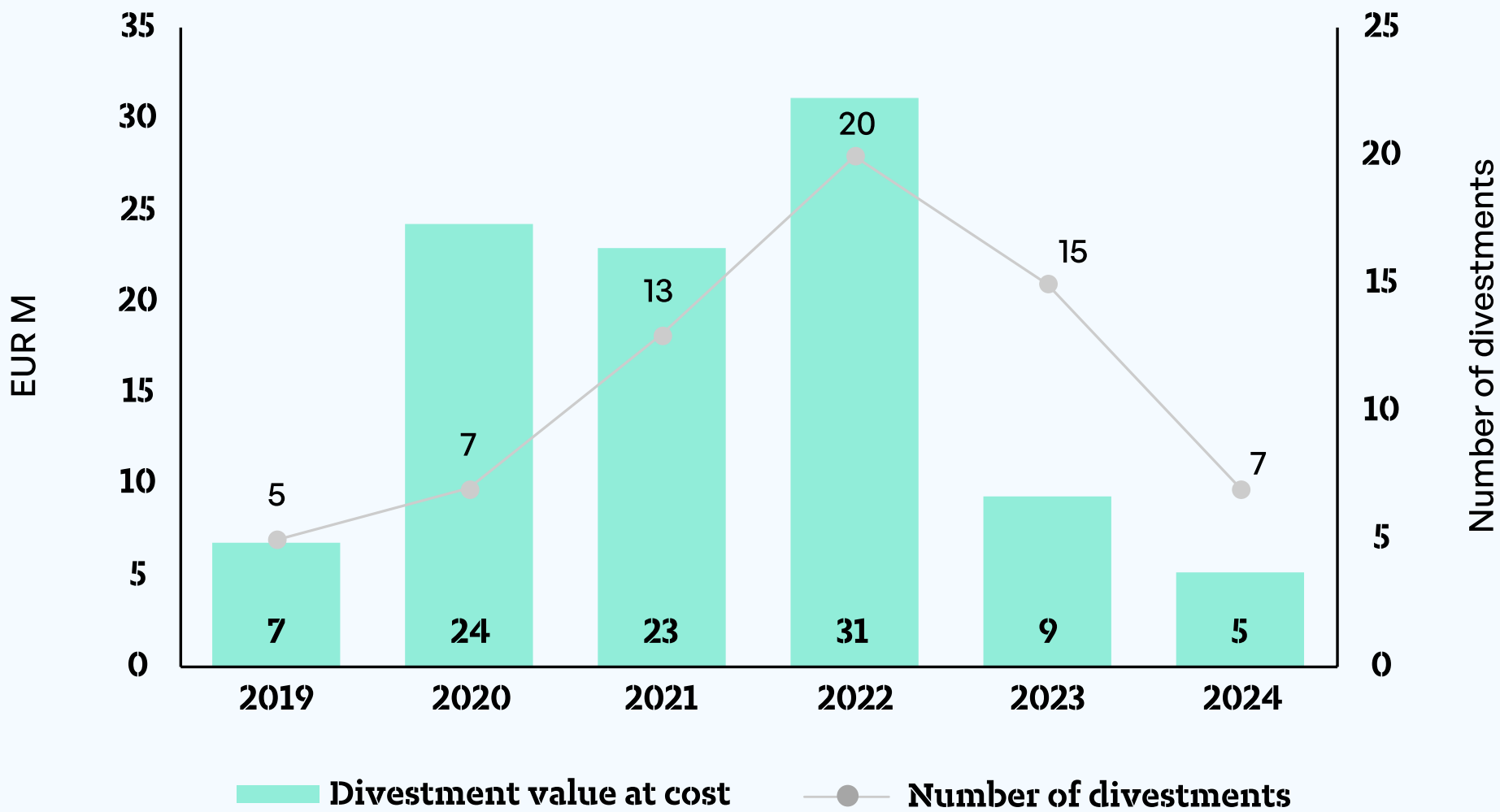
→ At the end of 2024, 57% of total capital was already deployed, leaving funds with €1.02 billion available for investment into companies based in Estonia. The largest amount of dry powder is held by funds with a focus on the early venture, buyout, and growth investment strategies. All 6 stages have less dry powder than invested capital, potentially indicating renewed fundraising efforts in the following years.

Note fundraising is similar across Baltics, Estonia, Latvia and Lithuania. Please see methodology section for further information. <sup>1</sup>As some funds became historicals only (ceased reporting), their capital under management dropped out.

# Divestments in Estonia

## DIVESTMENTS AT COST INCL. COUNT

2019-2024, EUR M



“Divestment activity continued a downward trend, as geopolitical uncertainty and continued lower valuations discouraged investors to facilitate exits”

- Overall, divesting activity for Estonian portfolio companies remained subdued in 2024 compared to prior years.
- Exit value at cost reduced YoY by 45% to €5 million, the lowest level seen in recent history. The number of exits also decreasing by a similar proportion.
- Looking at a strategy split then divestment activity took place within the early stage VC, mezzanine and buyout investment categories.
- The most common exit route was the repayment of mezzanine instruments, while the year also witnessed 2 write offs.

Divestments are at cost, they do not factor in capital gains/losses.





Latvia

Private Equity & Venture  
Capital in the Baltics

# Latvian market

## – Key highlights

→ Over the period 2019 – 2024, Latvian LPs have provided 7% or €186 million of the total capital raised by Baltic PE/VC funds that invest into Latvia.

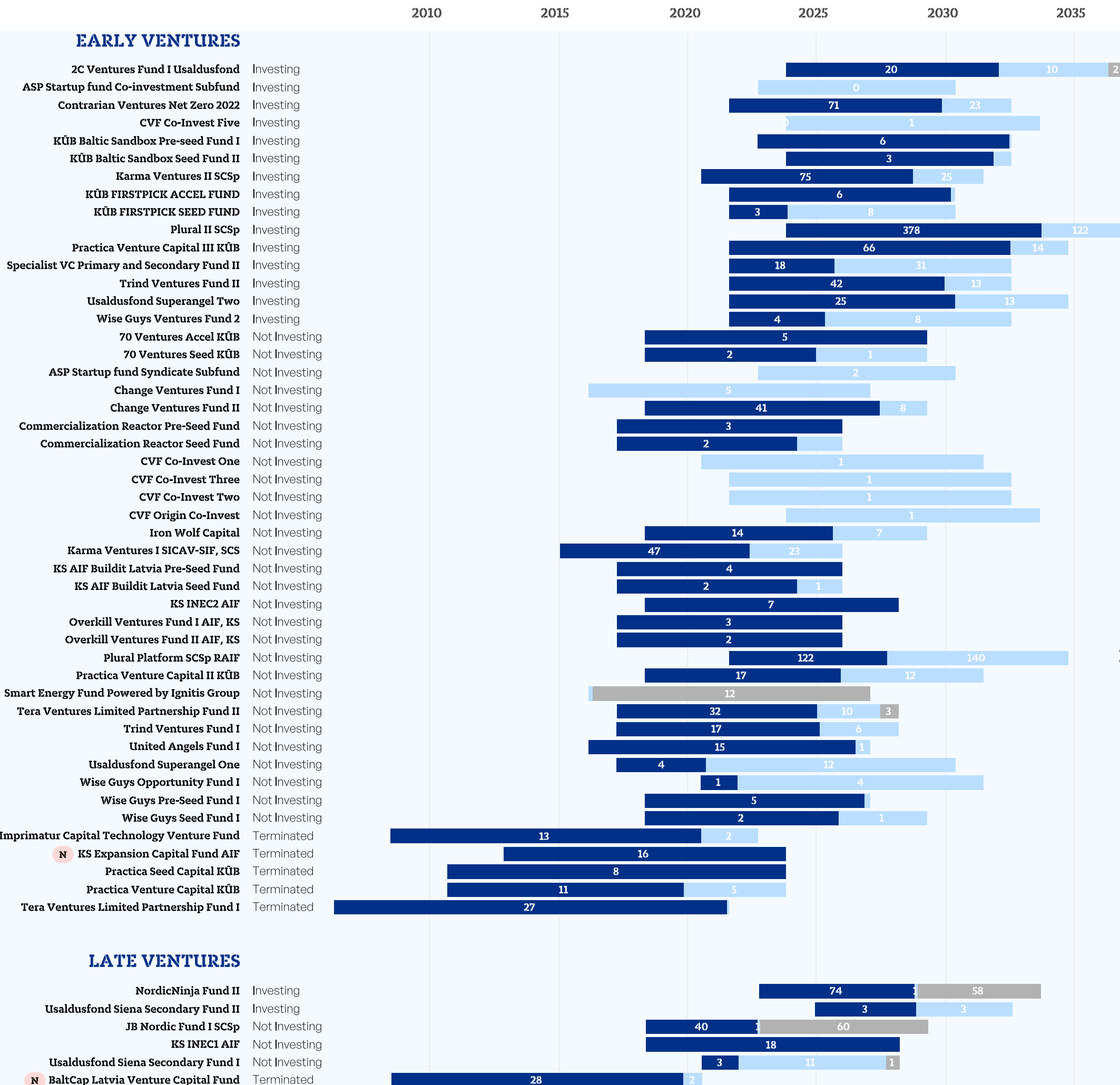
→ In 2024, Baltic funds invested €38 million in Latvian companies – the second-highest amount recorded, although below the all time high achieved in 2023.

→ Investment activity was driven by growth investment funds, which accounted for 43% of the total amount invested into Latvian companies.

→ With regards to sector preference, 2024 saw most investment going into Latvian companies operating within the ICT sector.

## Latvian Market Highlights as at 31st December 2024

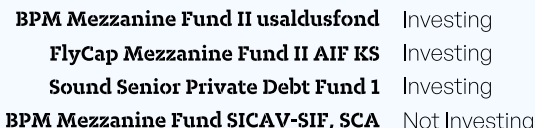
Funds raised by funding source and fund period (vintage and termination year), EUR M



## GROWTH INVESTMENTS



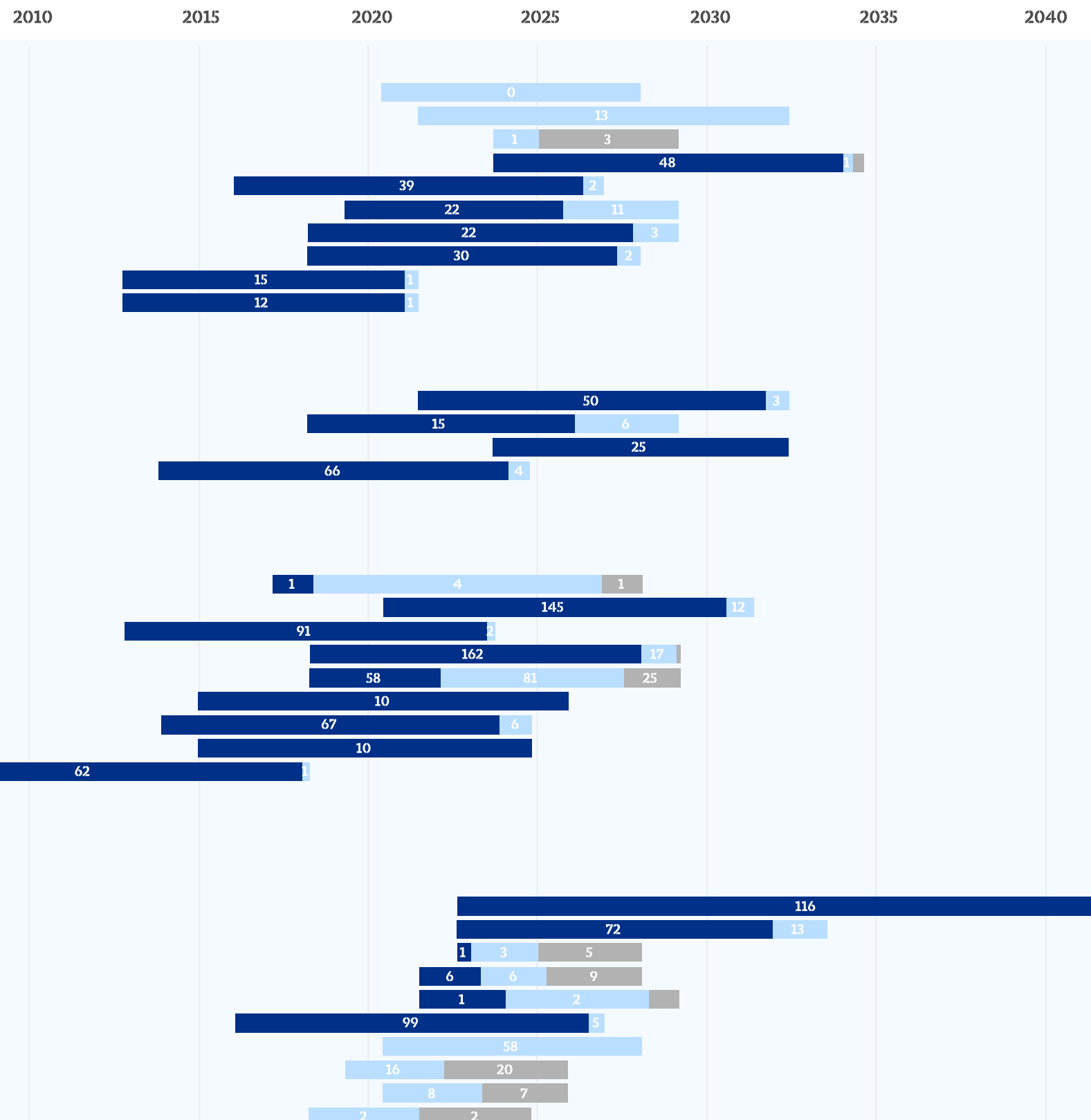
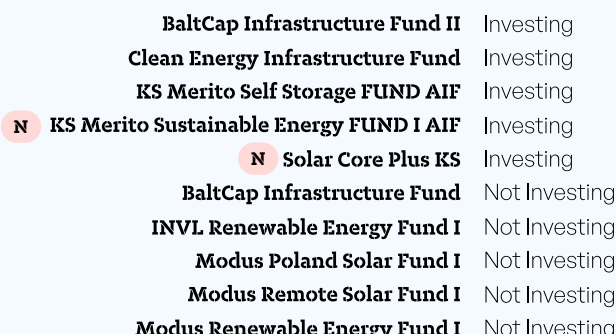
## MEZZANINE



## BUYOUT



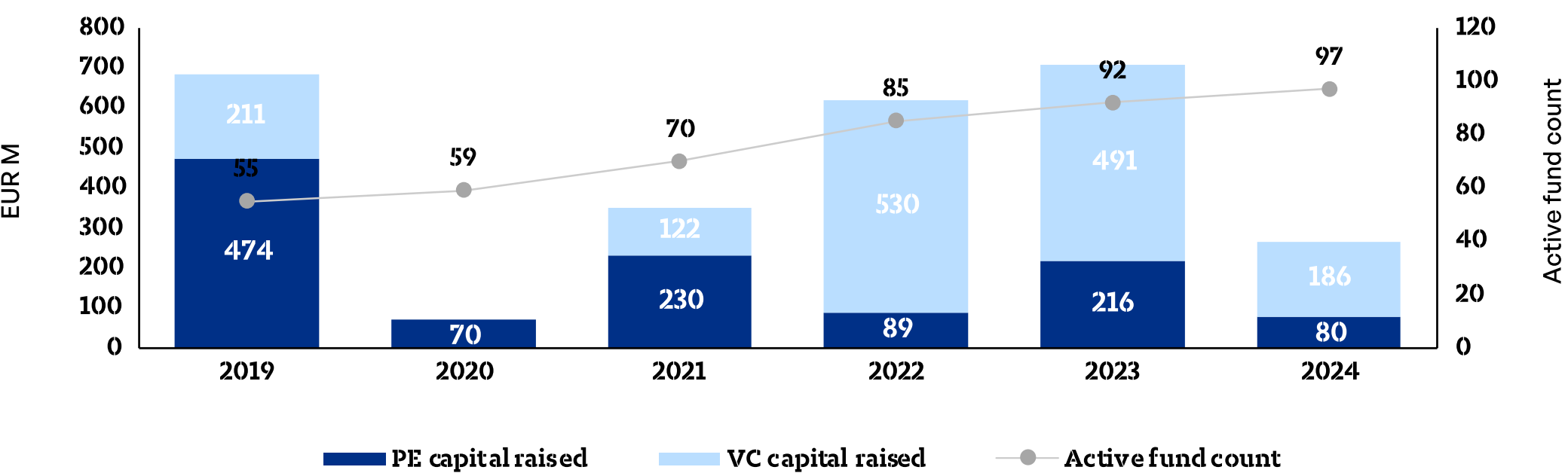
## INFRASTRUCTURE & REAL ASSETS



# Fundraising in Latvia

## TOTAL FUNDRAISING (SPLIT INTO VC & PE) INCL. ACTIVE FUND COUNT

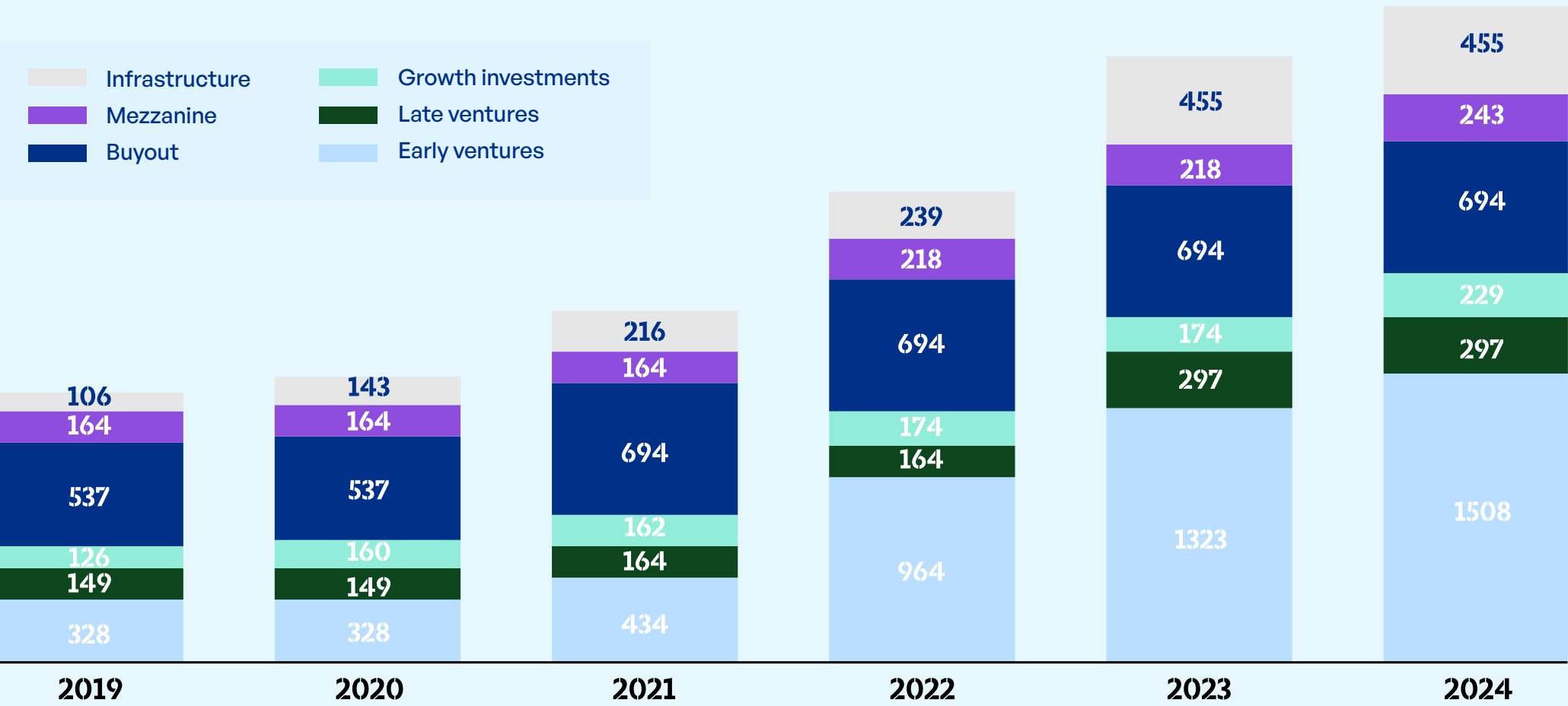
Capital raised annually during 2019-2024, EUR M<sup>1</sup>



→ Of the 7 new funds established in the year, all have a Pan-Baltic, Pan-European or global focus, as such no new fund had been established which focus purely on investing into Latvian based companies (also referred to as funds with a “National” focus). Overall, over the last 6 years funds with a National focus account for less than 1% of total capital raised.

## TOTAL CAPITAL RAISED BY PE/VC FUNDS BY FUND STAGE FOCUS

Cumulative capital raised in 2010-2024, EUR M<sup>2</sup>



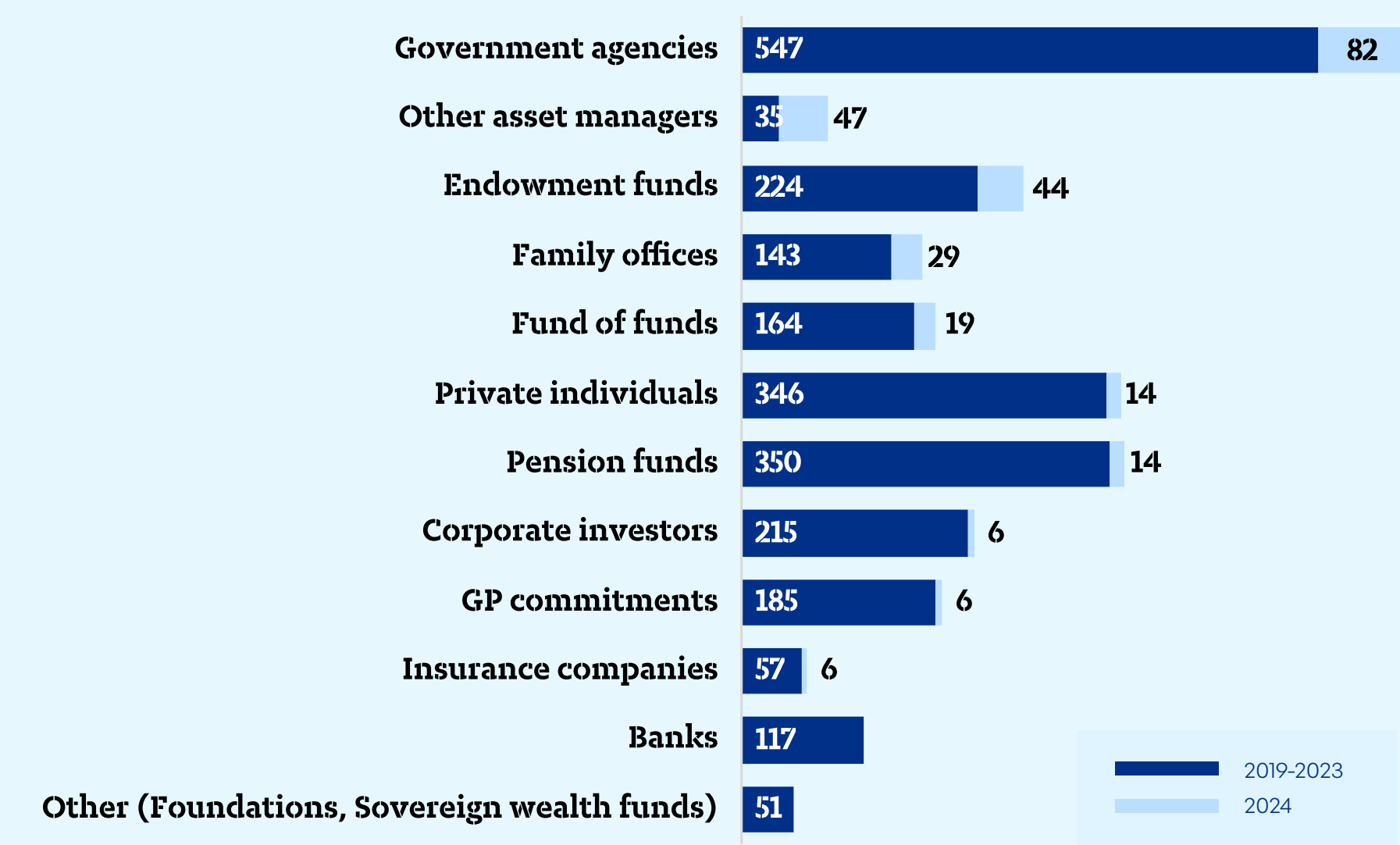
“Over the period 2010 to 2024, Baltic funds whose mandate is solely focused on or includes investing into Latvian companies have cumulatively raised €3.43 billion. ”

<sup>1</sup>Fundraising date is by the fund’s vintage year. Note fundraising is similar across Baltics, Estonia, Latvia and Lithuania. Please see methodology section for further information. <sup>2</sup>2019 includes the cumulative fundraising since 2010. Given the addition of new fund managers which may have had historic funds, the historic numbers may have changed compared to last year’s report.

# Fundraising in Latvia

## CAPITAL RAISED BY INVESTOR TYPE

2019-2024, EUR M<sup>1</sup>



→ Government agencies remain a key funding source for local fund managers, accounting for 31% of total capital raised in 2024, an increase from 23% over the 2019–2024 period.

→ Funds raised from pension funds in 2024 (€14 million) decreased considerably compared to prior years, which were reported as €98 million and €47 million in 2023 and 2022, respectively. This is most likely due to the fact that most fundraising in the year has been done by VC funds focusing on earlier stage investing, where pension fund activity and equity tickets provided are smaller.

→ On the other hand, it is positive to observe that significant capital is being raised from less traditional sources, such as other asset managers, endowment funds, family offices and fund of funds.

→ Of the total capital raised by funds in the last 6 years, 7% or €186 million has come from investors based in Latvia, while for 2024 the figure was 3% or €9 million.

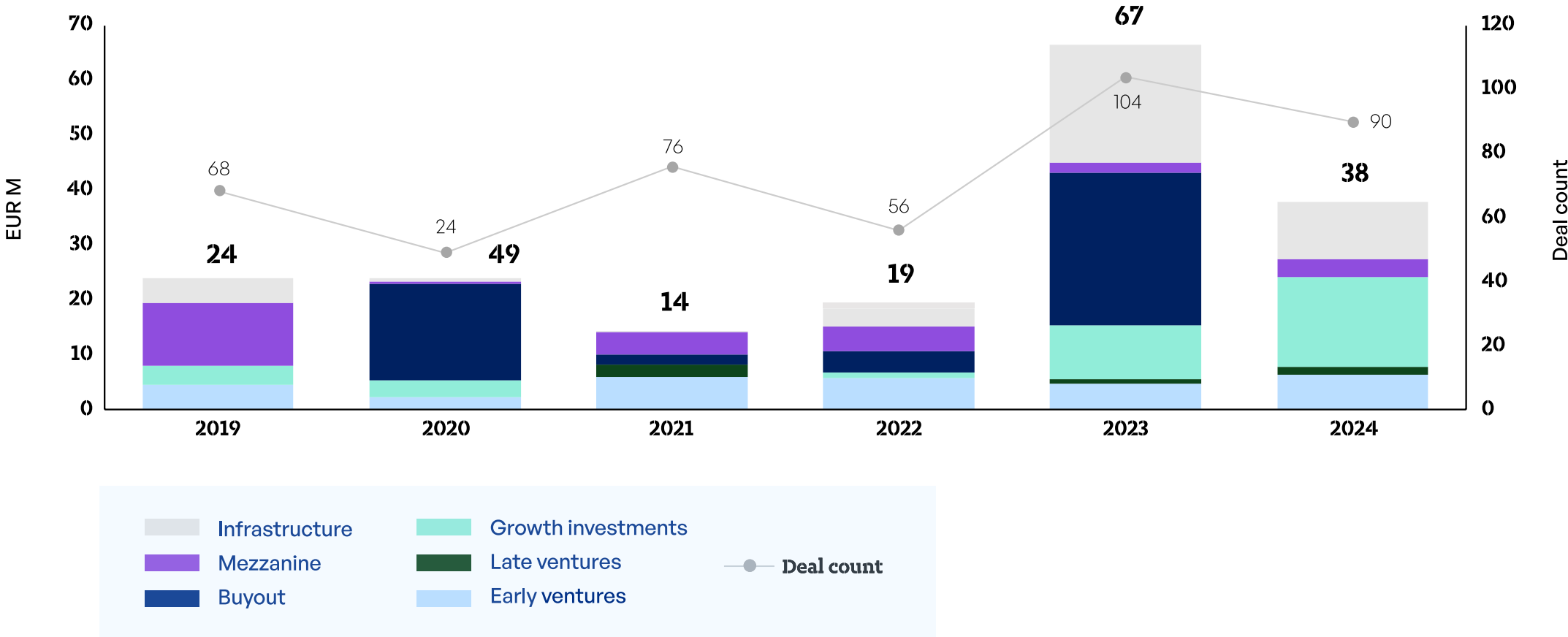
<sup>1</sup>Note fundraising is similar across Baltics, Estonia, Latvia and Lithuania. Please see methodology section for further information. Categories below a minimum threshold were left out.



# Investments in Latvia

## INVESTMENTS BY STAGE INCL. COUNT

2019-2024, EUR M

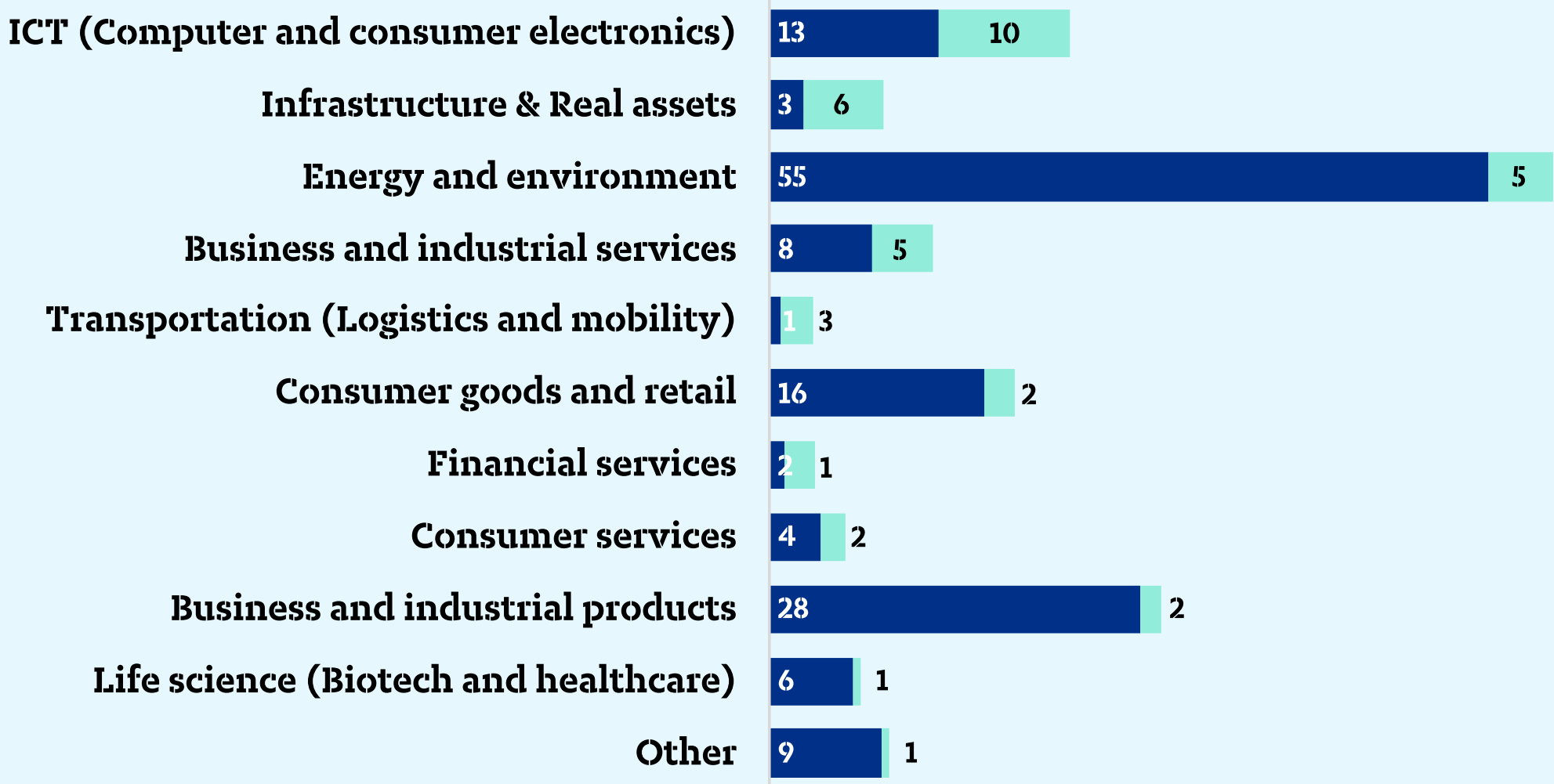


“Investments into Latvian companies decreased by over 40% YoY in 2024, with a total amount invested of €38 million across 90 transactions.

→ In 2023, Baltic funds invested €38 million in Latvian companies. While this marks a 43% decrease from 2023, it remains well above historical averages and is the second-highest amount recorded. Activity was led by growth investment funds, which invested 43% of the total amount at cost in 2024. The number of completed transactions also registered the 2nd highest result with 90, a 13% decrease from 2023. Similar to the aggregated Baltic results, the average investment size decreased significantly due to a lack of buyout investments and infrastructure & real asset investing.

## PE/VC INVESTMENT BY SECTOR

2019-2024, EUR M<sup>1</sup>



→ Compared to last year, investment focus shifted toward the ICT sector, which attracted the largest share - 27% of total funds invested in 2024. In contrast, investment in the energy and industrial products segments declined significantly compared to previous years.

→ The remaining investment activity was spread out among 9 other categories, with infrastructure & transportation attracting much more investment than in prior years.

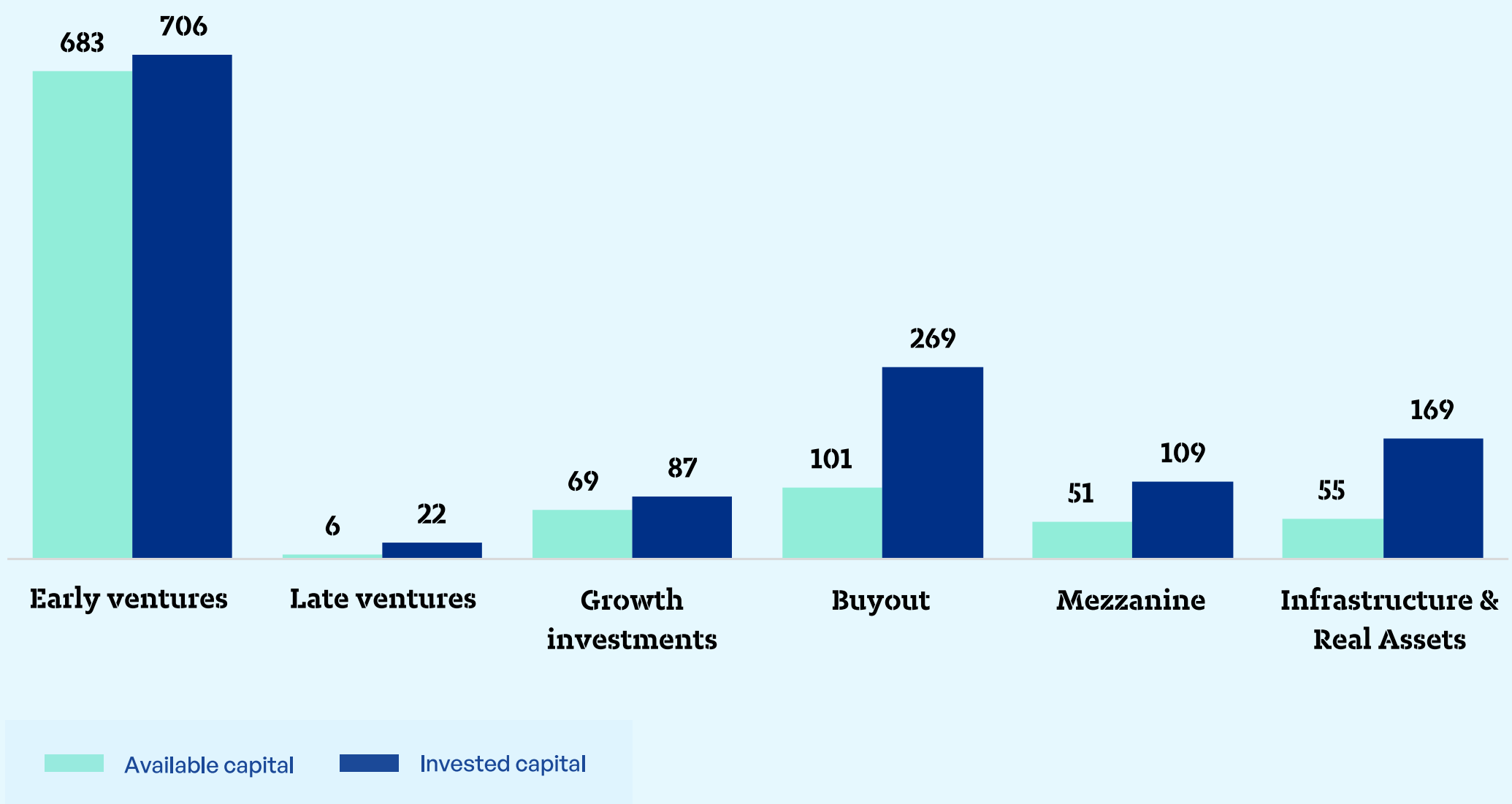
<sup>1</sup>Categories below a minimum threshold were left out.

# Invested capital in Latvia

## – Dry powder

### CAPITAL AVAILABLE FOR INVESTMENTS BY FUND’S STRATEGY

as at 31 December 2024, EUR M



“Baltic PE/VC funds hold €0.97 billion of capital available to invest in companies based in Latvia.”

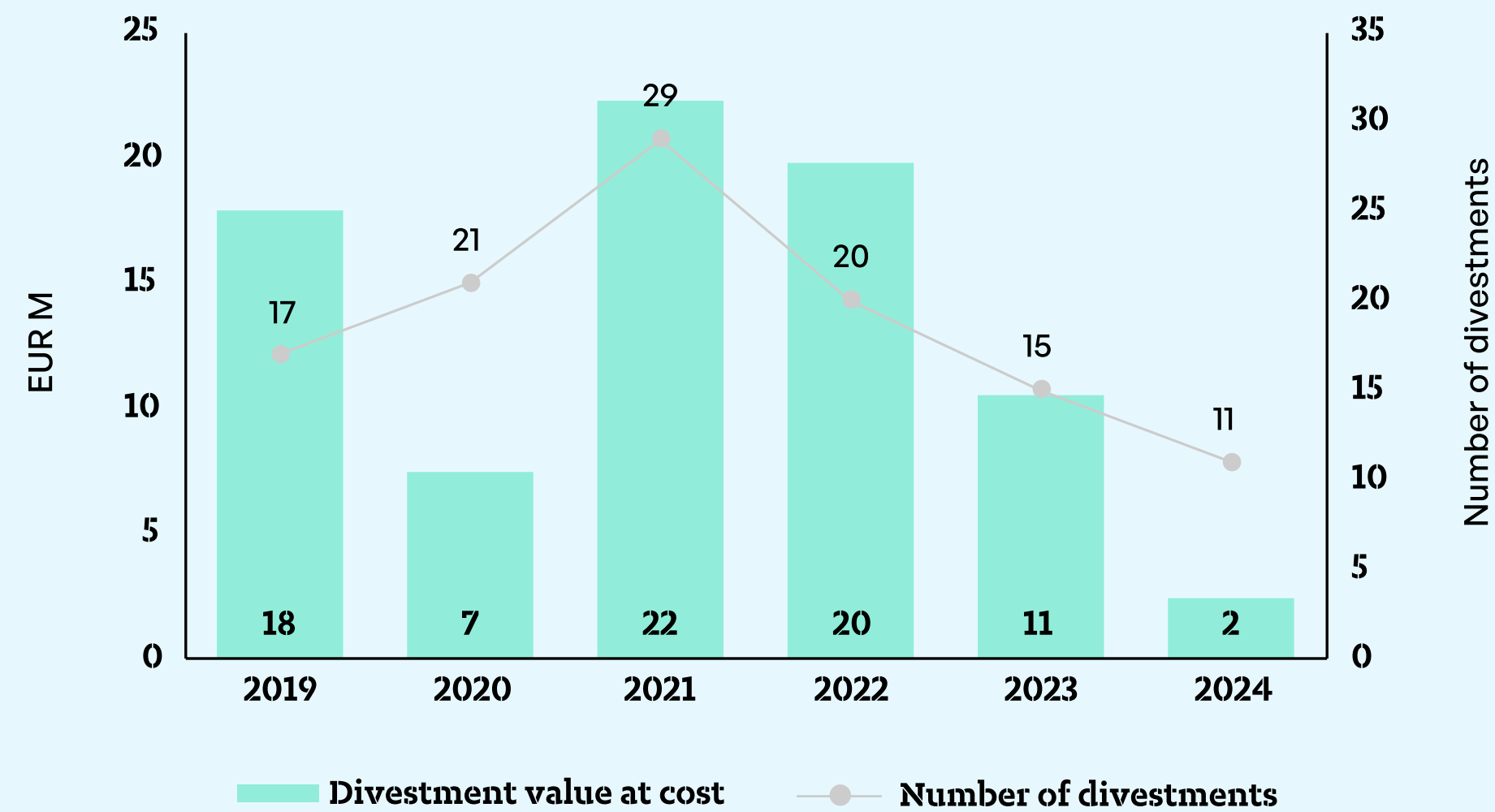
→ At the end of 2024, 59% of total capital was already deployed, leaving funds with €0.97 billion available for investment into companies based in Latvia. The largest amounts of dry powder are held by funds with a focus on the early venture, buyout, and growth investment strategies. All 6 stages have less dry powder than invested capital, potentially indicating renewed fundraising efforts in the following years.

Note fundraising is similar across Baltics, Estonia, Latvia and Lithuania. Please see methodology section for further information. <sup>1</sup>As some funds became historicals only (ceased reporting), their capital under management dropped out.

# Divestments in Latvia

## DIVESTMENTS AT COST INCL. COUNT

2019-2024, EUR M



Divestments are at cost, they do not factor in capital gains/losses.

“2024 saw divestment activity decrease further as geopolitical uncertainty and continued lower valuations discouraged investors to facilitate exits”

- Overall, divesting activity for Latvian portfolio companies decreased considerably in 2024, compared to prior years.
- Exit value at cost reduced YoY by 77% to €2 million, the lowest level seen in recent history.
- The number of exits also decreased, albeit more moderately by 27%.
- Looking at a strategy split, divestment activity took place within the early stage VC, & mezzanine investment categories.
- The most common exit route was the repayment of mezzanine instruments, in addition to which there were also 8 write-offs that took place in the year.

A stylized map of the Baltic region, including Lithuania, Latvia, and Estonia, is shown in a light green color. The map is set against a dark green background. Lithuania is highlighted with a darker green color. The map is partially enclosed by a white border on the left and top sides.

# Lithuania

## Private Equity & Venture Capital in the Baltics

# Lithuanian market

## – Key highlights

→ Over the period 2019 – 2024, Lithuanian LPs have provided 22% or €613 million of the total capital raised by Baltic PE/VC funds that invest into Lithuania.

→ In 2024, Baltic PE/VC funds invested €55 million into Lithuanian companies across 63 transactions.

→ Investment activity was driven by infrastructure investors, who accounted for 51% of the total amount invested into Lithuanian companies, which also drove the energy and environment sector to attract the most investment in the year.

→ Lithuania was the only Baltic country showcasing an increase in divesting activity, reaching €30 million in 2024.

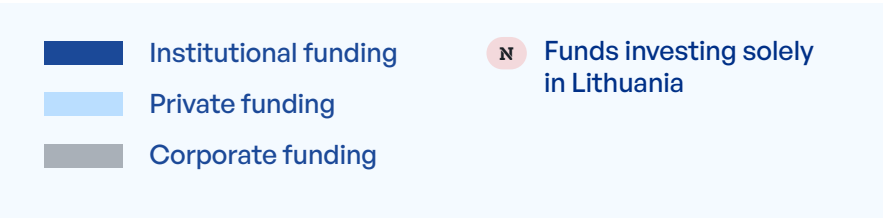




# Lithuanian Market Highlights

as at 31st December 2024

Funds raised by funding source and fund period (vintage and termination year), EUR M<sup>1</sup>



201020152020202520302035

## EARLY VENTURES

Contrarian Ventures Net Zero 2022	Investing
KŪB Baltic Sandbox Pre-seed Fund I	Investing
KŪB Baltic Sandbox Seed Fund II	Investing
Usaldusfond Superangel Two	Investing
ASP Startup fund Co-investment Subfund	Investing
KŪB FIRSTPICK ACCEL FUND	Investing
KŪB FIRSTPICK SEED FUND	Investing
2C Ventures Fund I Usaldusfond	Investing
CVF Co-Invest Five	Investing
Karma Ventures II SCSp	Investing
Wise Guys Ventures Fund 2	Investing
Specialist VC Primary and Secondary Fund II	Investing
Trind Ventures Fund II	Investing
Plural II SCSp	Investing
Practica Venture Capital III KŪB	Investing
Smart Energy Fund Powered by Ignitis Group	Not Investing
KS AIF Buildit Latvia Seed Fund	Not Investing
KS AIF Buildit Latvia Pre-Seed Fund	Not Investing
KS INEC2 AIF	Not Investing
Usaldusfond Superangel One	Not Investing
ASP Startup fund Syndicate Subfund	Not Investing
Overkill Ventures Fund I AIF, KS	Not Investing
Overkill Ventures Fund II AIF, KS	Not Investing
N Open Circle Capital	Not Investing
Change Ventures Fund I	Not Investing
Change Ventures Fund II	Not Investing
Commercialization Reactor Pre-Seed Fund	Not Investing
Commercialization Reactor Seed Fund	Not Investing
CVF Co-Invest One	Not Investing
CVF Co-Invest Two	Not Investing
CVF Co-Invest Three	Not Investing
CVF Origin Co-Invest	Not Investing
Karma Ventures I SICAV-SIF, SCS	Not Investing
Wise Guys Pre-Seed Fund I	Not Investing
Wise Guys Seed Fund I	Not Investing
Wise Guys Opportunity Fund I	Not Investing
Iron Wolf Capital	Not Investing
N IISUTIB KŪB Verslo Angelų Fondas II	Not Investing
United Angels Fund I	Not Investing
Trind Ventures Fund I	Not Investing
70 Ventures Accel KŪB	Not Investing
70 Ventures Seed KŪB	Not Investing
Tera Ventures Limited Partnership Fund II	Not Investing
Plural Platform SCSp RAIF	Not Investing
Practica Venture Capital II KŪB	Not Investing
N Koinvest Susisiekimui	Not Investing
N IISUTIB KŪB Verslo Angelų Fondas I	Terminated
Tera Ventures Limited Partnership Fund I	Terminated
Practica Seed Capital KŪB	Terminated
Practica Venture Capital KŪB	Terminated

## LATE VENTURES

Usaldusfond Siena Secondary Fund II	Investing
NordicNinja Fund II	Investing
KS INEC1 AIF	Not Investing
Usaldusfond Siena Secondary Fund I	Not Investing
JB Nordic Fund I SCSp	Not Investing
N Lithuania SME Fund KŪB	Terminated

## GROWTH INVESTMENTS

Raft Capital Baltic Equity Fund KŪB	Investing
KS Merito Growth Capital FUND I AIF	Investing
KS Merito Management Target FUND II AIF	Investing
IAM Petcare Growth Fund	Investing
BaltCap Growth Fund EuVECA	Not Investing
Usaldusfond Equity United PEI	Not Investing
ZGI-4	Not Investing
LcX Opportunity	Not Investing
N LitCapital I	Terminated

## MEZZANINE

BPM Mezzanine Fund II usaldusfond	Investing
FlyCap Mezzanine Fund II AIF KS	Investing
Sound Senior Private Debt Fund I	Investing
BPM Mezzanine Fund SICAV-SIF, SCA	Not Investing

## BUYOUT

KS Livonia Partners Fund II AIF	Investing
INVL Special Opportunities Fund	Investing
BaltCap Private Equity Fund II	Not Investing
Baltcap Private Equity Fund III	Not Investing
KS EuVECA Livonia Partners Fund I	Not Investing
KS Livonia Partners EIF Co-Investment Fund	Not Investing
INVL Baltic Sea Growth Fund	Not Investing
INVL Technology	Not Investing
BaltCap Private Equity Fund	Terminated

## INFRASTRUCTURE & REAL ASSETS

BaltCap Infrastructure Fund II	Investing
KS Merito Self Storage FUND AIF	Investing
Clean Energy Infrastructure Fund	Investing
BaltCap Infrastructure Fund	Not Investing
INVL Renewable Energy Fund I	Not Investing
Modus Renewable Energy Fund I	Not Investing
Modus Poland Solar Fund I	Not Investing
Modus Remote Solar Fund I	Not Investing

2010201520202025203020352040

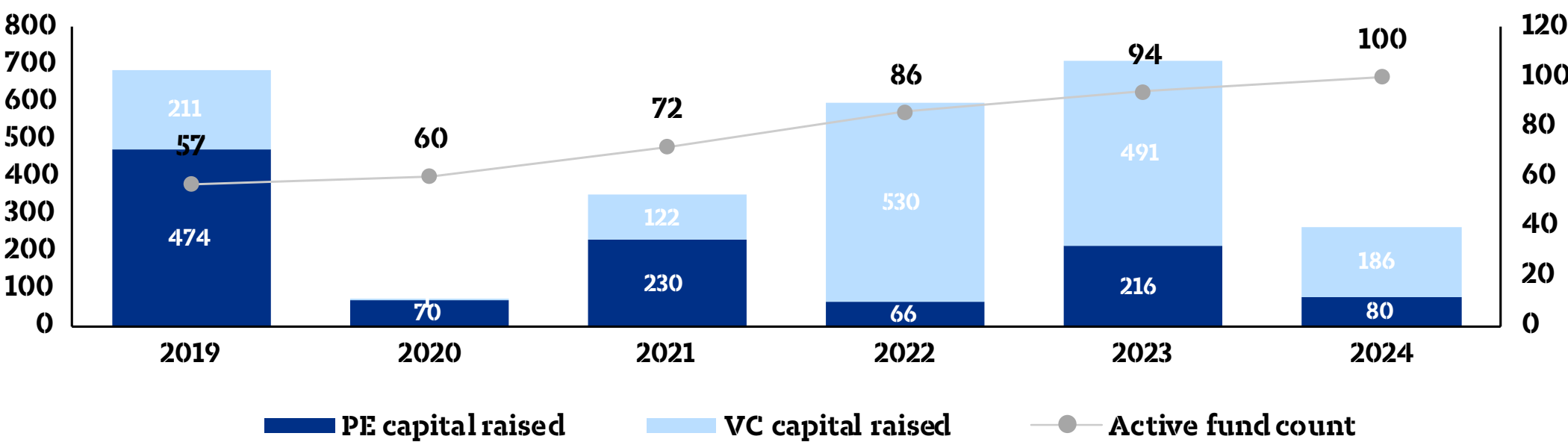
N Additionally in Early Ventures, there are the evergreen funds Koinvest I and II , which raised €15 and €10 million, respectively, in 2018.

<sup>1</sup>Excludes evergreen funds. Excludes funds which have not fundraised or disclosed fundraising. Note fundraising is similar across Baltics, Estonia, Latvia and Lithuania. Please see methodology section for further information.

# Fundraising in Lithuania

## TOTAL FUNDRAISING (SPLIT INTO VC & PE) INCL. ACTIVE FUND COUNT

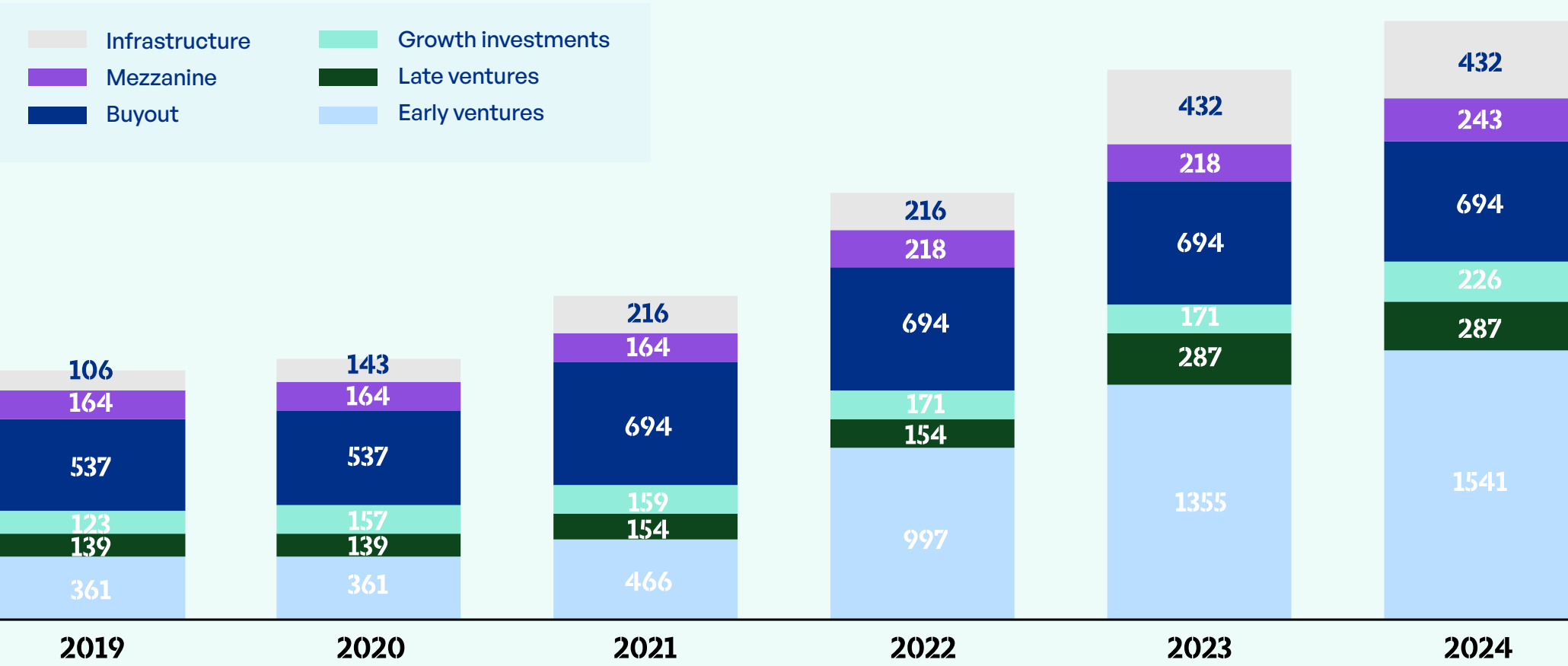
Capital raised annually during 2019-2024, EUR M<sup>1</sup>



→ Of the 7 new funds established in the year, all have a Pan-Baltic, Pan-European or global focus, as such no new fund had been established which focus purely on investing into Lithuanian based companies (also referred to as funds with a “National” focus). Overall, over the last 6 years funds with a National focus account for less than 1% of total capital raised.

## TOTAL CAPITAL RAISED BY PE/VC FUNDS BY FUND STAGE FOCUS

Cumulative capital raised in 2010-2024, EUR M<sup>2</sup>



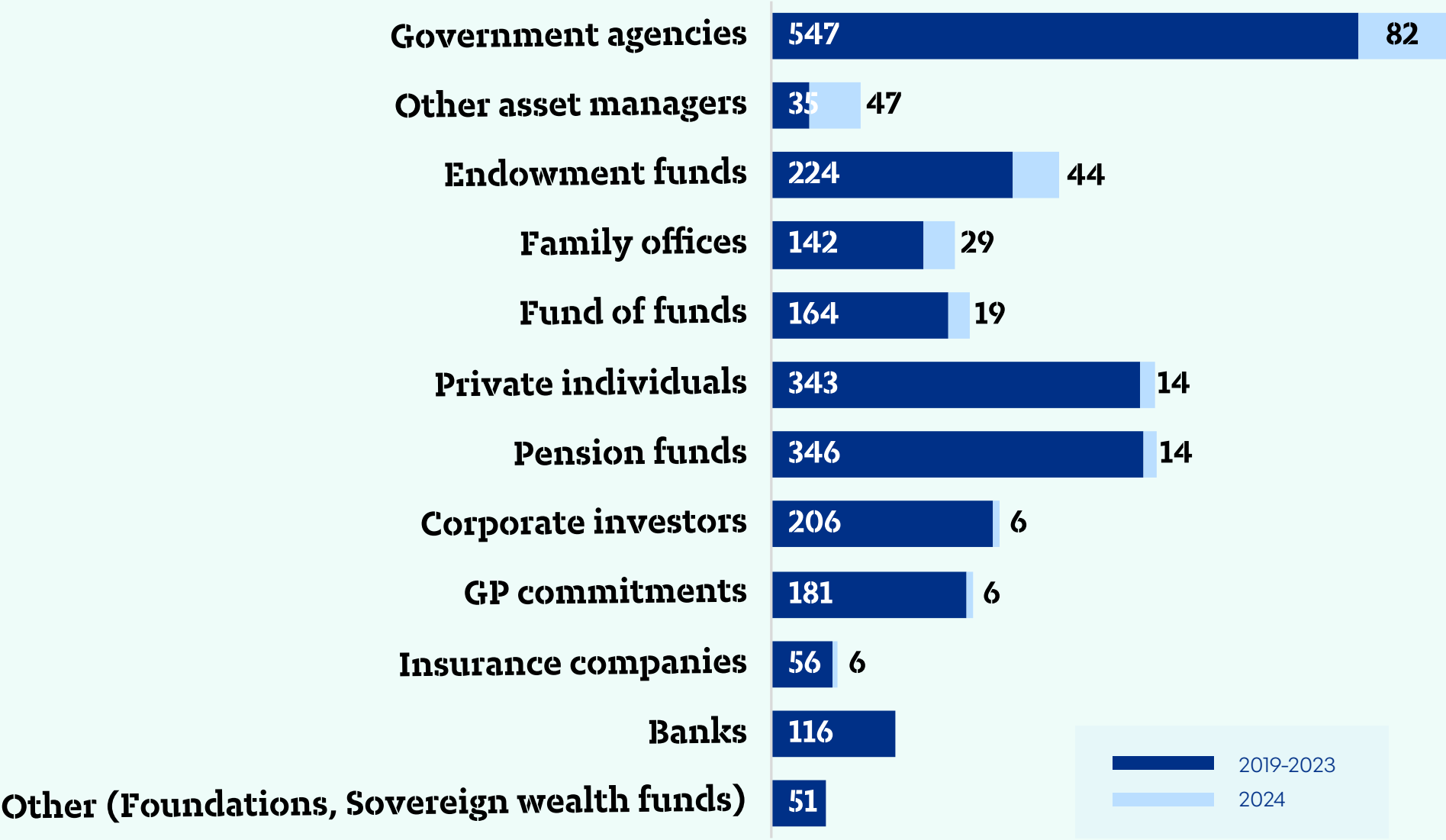
“Over the period 2010 to 2024, Baltic funds whose mandate is solely focused on or includes investing into Lithuanian companies have cumulatively raised €3.42 billion.”

<sup>1</sup>Fundraising date is by the fund’s vintage year. Note fundraising is similar across Baltics, Estonia, Latvia and Lithuania. Please see methodology section for further information. <sup>2</sup>2019 includes the cumulative fundraising since 2010. Given the addition of new fund managers which may have had historic funds, the historic numbers may have changed compared to last year’s report.

# Fundraising in Lithuania

## CAPITAL RAISED BY INVESTOR TYPE

2019-2024, EUR M<sup>1</sup>



→ Government agencies remain a key funding source for local fund managers, accounting for 31% of total capital raised in 2024, an increase from 23% over the 2019–2024 period.

→ Funds raised from pension funds in 2024 (€14 million) decreased considerably compared to prior years, which were reported as €98 million and €42 million in 2023 and 2022, respectively. This is most likely due to the fact that most fundraising in the year has been done by VC funds focusing on earlier stage investing, where pension fund activity and equity tickets provided are smaller.

→ On the other hand, it is positive to observe that significant capital is being raised from less traditional sources, such as other asset managers, endowment funds, family offices and fund of funds.

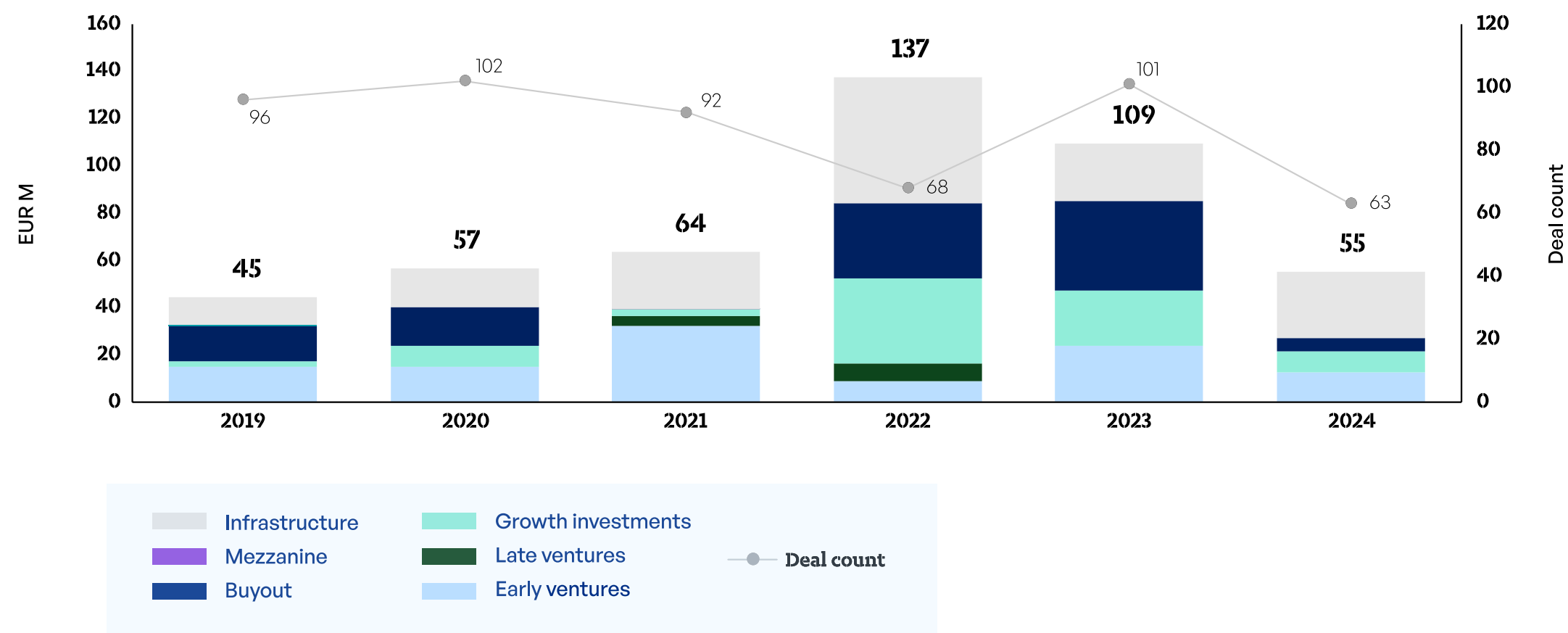
→ Of the total capital raised by funds in the last 6 years, 22% or €613 million has come from investors based in Lithuania, while for 2024 the figure was 11% or €29 million.

<sup>1</sup>Note fundraising is similar across Baltics, Estonia, Latvia and Lithuania. Please see methodology section for further information. Categories below a minimum threshold were left out.

# Investments in Lithuania

## INVESTMENTS BY STAGE INCL. COUNT

2019-2024, EUR M



**“Investments in Lithuanian companies decreased by 50% YoY in 2024, with a total amount invested of €55 million across 63 transactions. ”**

→ In 2024, the amount invested by Baltic funds into Lithuanian companies fell to €55 million, a decrease of 50% compared to 2023, but in line with investment levels seen pre-2022.

Investment was led by infrastructure investors, who invested 51% of the total amount at cost in 2024. The total number of transactions also significantly shrunk (by over 35%) due to less early venture and growth investments - the drop was the largest among the 3 Baltic states.

## PE/VC INVESTMENT BY SECTOR

2019-2024, EUR M<sup>1</sup>



→ Energy and environment remained the most active sector, which received 52% of the total funds invested in 2024. It was followed by the industrial products sector at 16% and consumer goods at 12%.

→ Lithuanian energy and environment investing had a prolific 2024, making up 87% of the total investment in the sector across the Baltic states.

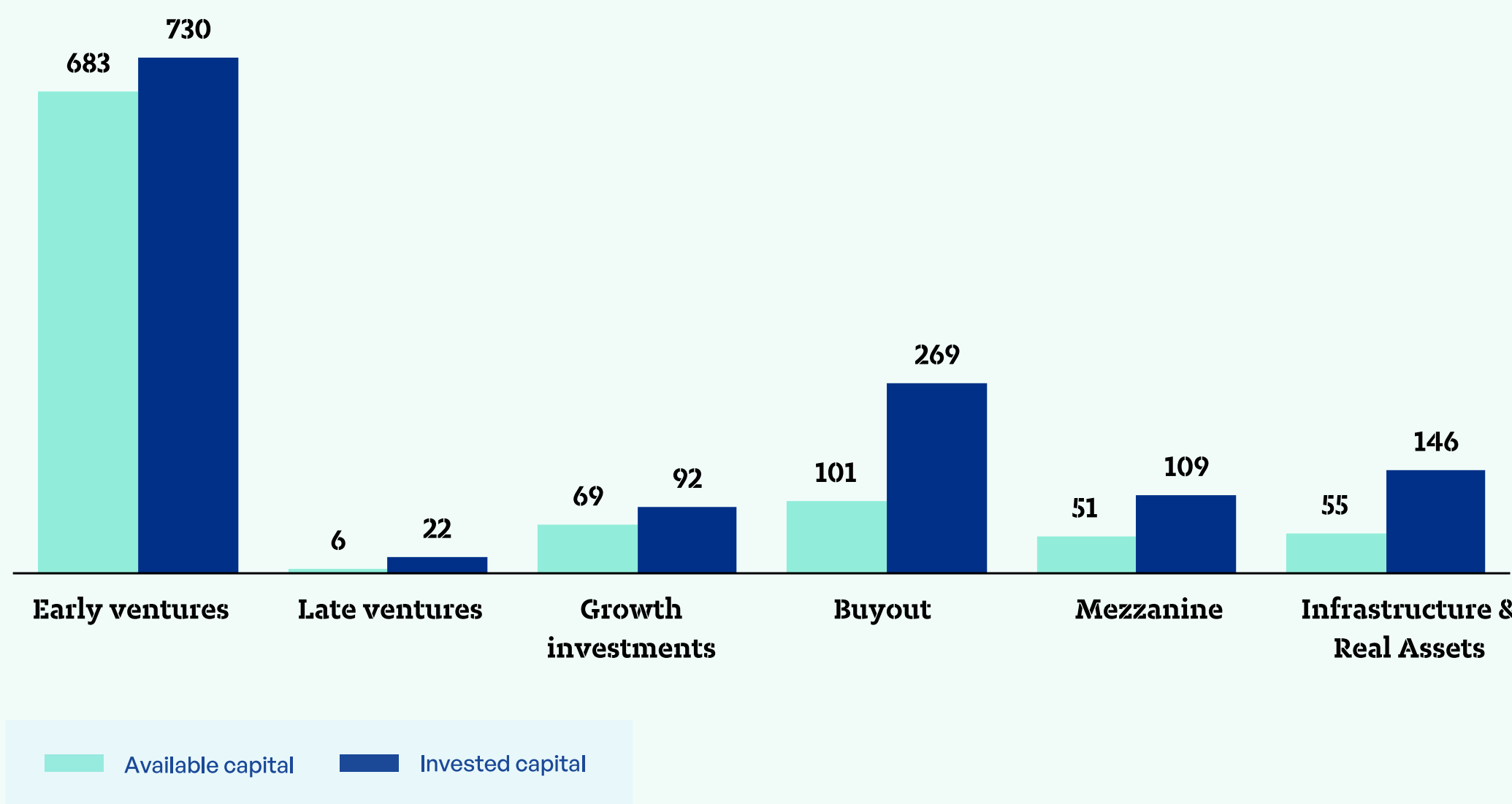
<sup>1</sup>Categories below a minimum threshold were left out.

# Invested capital in Lithuania

## – Dry powder

### CAPITAL AVAILABLE FOR INVESTMENTS BY FUND’S STRATEGY

as at 31 December 2024, EUR M



Note fundraising is similar across Baltics, Estonia, Latvia and Lithuania. Please see methodology section for further information. <sup>1</sup>As some funds became historicals only (ceased reporting), their capital under management dropped out.

“Baltic PE/VC funds hold €0.97 billion of capital available to invest in companies based in Lithuania. ”

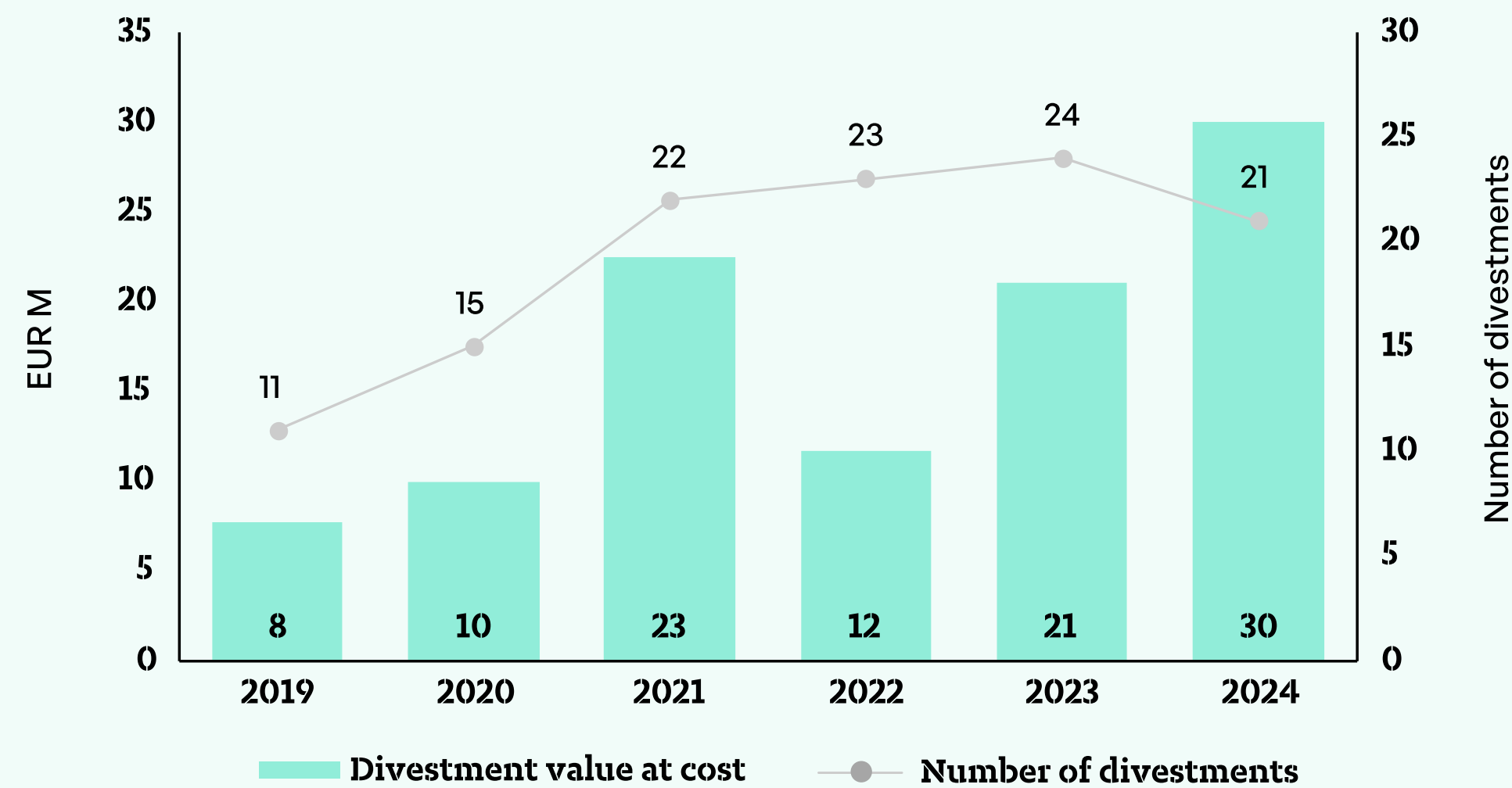
- At the end of 2024, 59% of total capital was already deployed, leaving funds with €0.97 billion available for investment into companies based in Lithuania. The largest amount of dry powder is held by funds with a focus on the early venture, buyout, and growth investment strategies.
- All 6 stages have less dry powder than invested capital, potentially indicating renewed fundraising efforts in the following years.



# Divestments in Lithuania

## DIVESTMENTS AT COST INCL. COUNT

2019-2024, EUR M



“Despite the challenging market environment, Lithuania was the only Baltic country showcasing an increase in divesting activity, reaching €30 million in 2024.”

→ In contrast to its Baltic neighbours, divesting activity for Lithuanian portfolio companies increased in 2024, compared to prior years.

→ Exit value at cost rose YoY by 42% to €30 million, while the number of exits slightly declined, ending the year at 21.

→ Looking at a strategy split, divestment activity took place within the early stage VC, mezzanine & buyout investment categories.

→ The most common exit route was a sale to a trage buyer & the repayment of mezzanine instruments, while the year also witnessed 5 write offs.

Divestments are at cost, they do not factor in capital gains/losses.

**About authors**

# About KPMG

We help our clients grow, expand and become successful

We live in a world with a rapidly changing environment. The number of challenges and the speed with which they can be solved are what all companies face and have to deal with. Going in the wrong direction can have a significant impact on a company's performance and value.

KPMG is a global network of independent member firms offering audit, tax, legal and business advisory services with member firms in 154 countries employing a total of more than 236,000 professionals. KPMG has been operating in Estonia since 1992 and the company employs over 250 auditors and advisors. We have a strong Nordic network of more than 5,000 qualified specialists who work closely together to help a wide range of companies – from large Nordic listed companies to smaller companies.

Our experienced advisers help both private and public sector organizations understand their most important value drivers and risk exposures and based on that help achieve tangible and lasting improvements in the organization's performance.

Along with KPMG's other areas and KPMG's experts from Finland, we form the largest team of professionals in the Nordic countries, combining knowledge of the local market and cross-border competence.



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Long-term experience and in-depth knowledge in advising transactions

## EXPERIENCED TEAM

A team of experts with international work experience helps your business grow in both the Nordic and Baltic countries.

## STRONG NETWORK DELIVERS THE BEST RESULTS

We offer access that other market participants do not have – we bring to the table professional investors and the best business contacts from the Nordic and Baltic countries.

## WE UNDERSTAND THE TRANSACTION SCOPE

Regardless of the complexity or scope of the transaction, we can help you achieve the best result in carrying out the transaction. We offer support for both the first purchase and sale transaction and multibillion-euro projects.

## INTEGRATED SERVICES

The unique competencies and integrated approach of KPMG's Estonian and Finnish joint team – in addition to financial and tax due diligence services, we also help our clients with company evaluation, M&A services and IT due diligence.

## ONE PARTNER FROM START TO FINISH

Our approach is to support you on all key aspects throughout the transaction lifecycle from initial strategy development to transaction preparation and execution. We take a long-term view on value creation.

# About VCAs

## About EE VCA

The Estonian Private Equity and Venture Capital Association’s membership comprises of the most influential firms and decision makers across the industry, including leading Private Equity & Venture Capital funds, Mezzanine funds, Real Estate funds, Infrastructure funds and Family Office’s as well as institutional investors. The goal of EstVCA is to develop a sustainable and attractive ecosystem for the benefit of entrepreneurs, fund managers, institutional investors and to increase the output of innovative and high-growth potential companies in Estonian economy. EstVCA has 57 member organisations and the combined assets under management of Private Equity & Venture Capital houses is close to EUR 2 billion.

## About LV VCA

Latvian Private Equity and Venture Capital Association (LVCA) is the oldest VC association in the Baltic region. It was established in 2003 by the six then largest companies operating in the Venture Capital industry in Latvia as well as Latvian public institution - Investment and Development Agency of Latvia.

The members of the association are fund management companies operating in Latvia and legal and financial consultants working for the industry. Currently, the association unites 40 organizations - the majority of participants in the countries’ venture capital industry.

LVCA represents the interests of the industry to state institutions and legislators. Additionally, the association is responsible for informing entrepreneurs and the public about the possibilities of receiving venture capital financing. LVCA promotes the exchange of knowledge and experience between the members of the association. Association also organizes and ensures cooperation with international and foreign Venture Capital associations.

## About LT VCA

The Lithuanian Private Equity and Venture Capital Association (LT VCA) was established in 2009. Today, it brings together 58 active members, including fund management companies, limited partners, consulting firms, legal advisors, public institutions, and other stakeholders involved in various aspects of the private equity and venture capital ecosystem. These members support and advise both investors and entrepreneurs in structuring and managing their partnerships.

The core mission of LT VCA is to unite professional expertise across the industry and foster the growth of the private equity and venture capital landscape in Lithuania.

To achieve this, the Association focuses on four strategic priorities:

**Enhancing the investment climate** – Supporting improved access to finance, especially for small businesses, while fostering entrepreneurship and economic growth.

**Education** – Providing industry-focused education for students and institutions, and facilitating internship opportunities to attract motivated young talent.

**Networking and collaboration** – Organizing local and international events to promote Lithuania as an attractive investment destination and to encourage investor engagement.

**ESG (Environmental, Social, and Governance)** – Advocating for new sustainability standards and raising awareness of gender diversity and broader ESG-related topics.

