Best of New Nordics

Ugne Musneckyte
Linda Võeras

May 2026

Introduction

Combining the Nordics and Baltics into one thriving tech scene

Ugne

Linda

byFounders

KARMA.VC

KARMA VENTURES OVERVIEW

170M EUR
AUM

26
Portfolio companies

1-5M EUR
First ticket size

88%
Graduation rate

Kristjan Laanemaa

Founding Partner

Margus Uudam

Founding Partner

Tommi Uhari

Founding Partner

Linda Võeras

Investment Manager

Riin Vähk

Finance Manager

Ska Sijia Du

Principal

Sten Õitspuu

Head of Marketing

Marianne Kikas

Office Manager

STARSHIP PACTUM swarmia

druid WunderGraph KARMA.VC

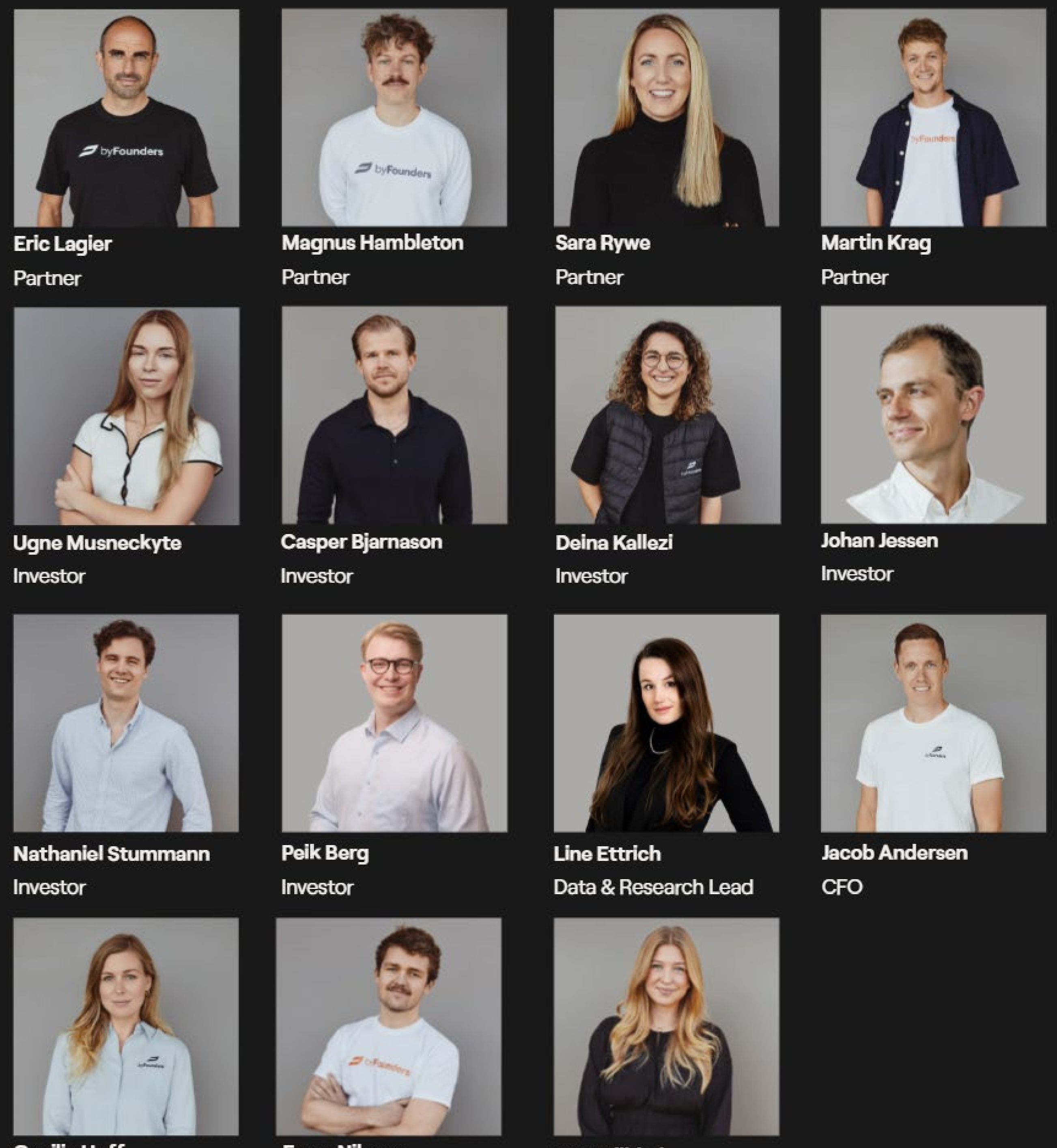
A sneak-peek into the byFounders community

Portfolio

lovable, verda, SafetyWing, Skye, Parahelp, vibrant, Adaptyv Bio, cello, MONTA, Smitten, Normative, BOB W., greenely, Corti, DIGITAIL, Creative Force, QA.tech, SUPERNORMAL, PIXIERAY, +many more!

Our portfolio company founders are at the heart of the byFounders community. They are the ones building the game-changing companies of tomorrow and the ones who make us proud every day.

Core Team



Eric Lagier – Partner
Magnus Hambleton – Partner
Sara Rywe – Partner
Martin Krag – Partner
Ugne Musneckyte – Investor
Casper Bjarnason – Investor
Deina Kallezi – Investor
Johan Jessen – Investor
Nathaniel Stummann – Investor
Peik Berg – Investor
Line Ettrich – Data & Research Lead
Jacob Andersen – CFO
Cecilie Hoff – Community & Events
Frans Nilsson – Finance Associate
Tova Pilblad – Community & Events

In-house, we work alongside founders, giving them the tools, guidance, and space to build.

Collective

FOUNDERS OF

public, zendesk, bambuser, humio, Cylindo, Tradeshift, leapwork, templafy, SMARTLY.IO, coinify, vivino, SALTFOSS, skype, kerecis, voi., dixa, SITECORE, Kahoot!, +many more!

OPERATORS FROM

Uber, LinkedIn, Klarna, Calm, snapdocs, Meta, Spotify, wework, kry, DeepMind, tink, northvolt

To support both our founders and us as the core team, we have the unique byFounders Collective, consisting of the most prominent entrepreneurs and operators from the Nordics and Baltics - those who've been in the trenches themselves, and want to give back.

What are the New Nordics?

Combining the Nordics and Baltics into one thriving tech scene

Nordics

Denmark
Sweden
Norway
Finland
Iceland

Baltics

Estonia
Lithuania
Latvia

byFounders is a venture capital firm with a mission to help th
generation of business founders in the tech industry. Based ir
with a strong presence in Silicon Valley, byFounders is a colle
five company founders and is led by Tommy Andersen and Er
members of the collective including Andersen and Lagier wei
"New Nordics" (a collaborative name for the combined Nordi
regions), and have the mission statement of "by founders for
Actively investing in Seed stage technology startups, their mo
upon 7 Ts: Team, TAM (total available mar
Traction, Timing/Trend, and 10x.

2018, Medium article

Eric Lagier · 1st
Founder & Managing Partner at byFounders
6yr ·

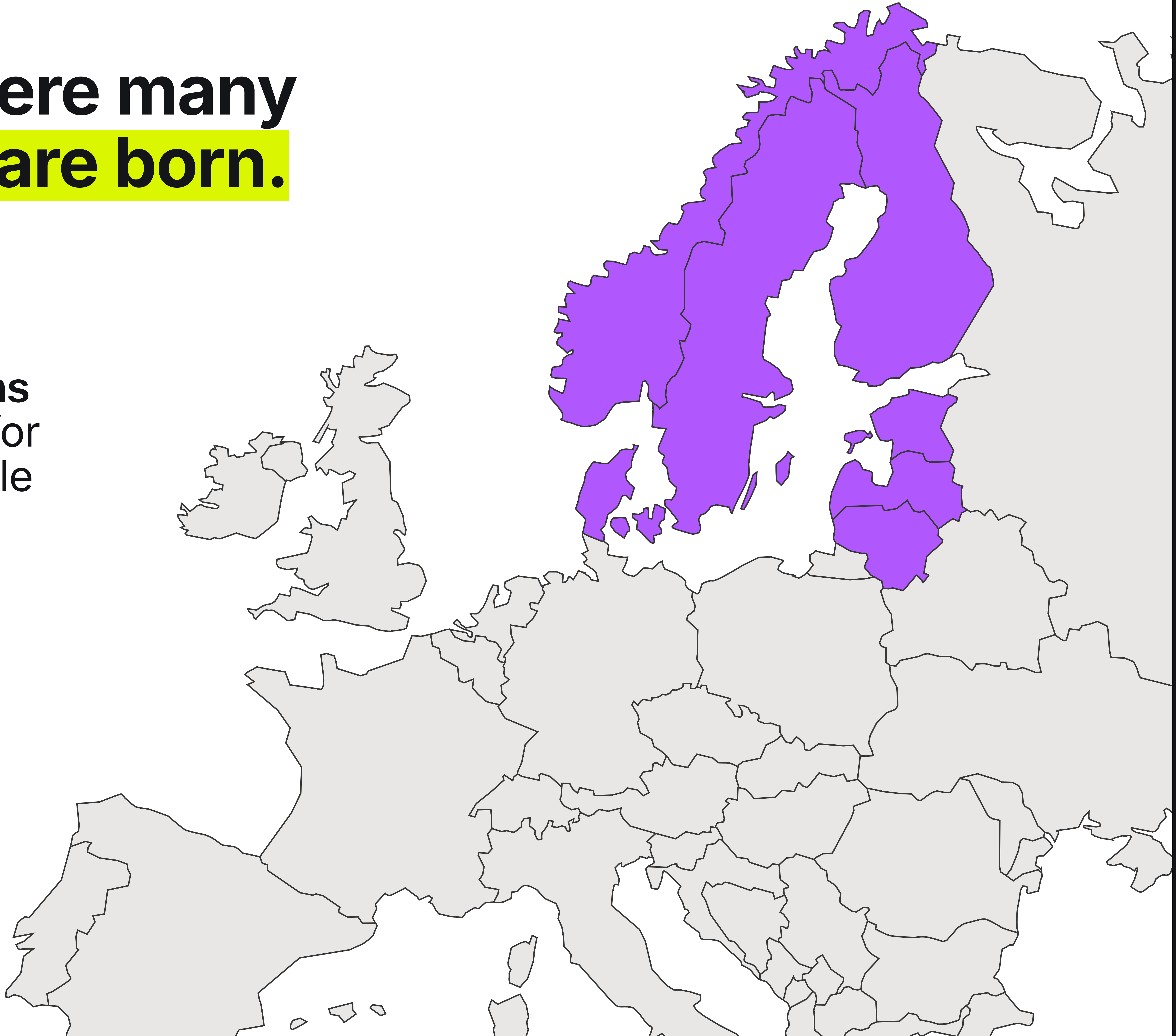
Thanks to Kent Lindstrom for an interesting conversation about #byFounders and the rise of the New Nordics (Nordics & Baltics), fostering global tech successes like Skype, Zendesk, Spotify, TransferWise, Unity Technologies, Tradeshift and how we pay it forward to the next generation of Nordic and Baltic founders with global ambitions. 🙏🙏

Shout out to Howard Hartenbaum, Raj Kapoor, Devdutt Yellurkar, Roelof Botha, Sam Lessin, Northzone, Creandum, Christian Motzfeldt & Vækstfonden. The many great byFounders including Niklas Zennström, Mikkel Hippe Brun, Gert Sylvest, Morten Primdahl, David Helgason, Lars Houbak, Johan Brand and Sten Tamkivi. Simple Feast, Cobalt.io, SafetyWing and our many other great portfolio companies. The entire #byFounders team including Tommy

Lagier said: "I coined the 'new Nordics' term when initiating byFounders, while looking across the region we would be looking to operate in. While with Skype in Estonia, what I saw was the power of bringing together resources from across this expanded group of countries, to build a massive, fast-growing, globally successful technology company."

New Nordics is where many Europe's unicorns are born.

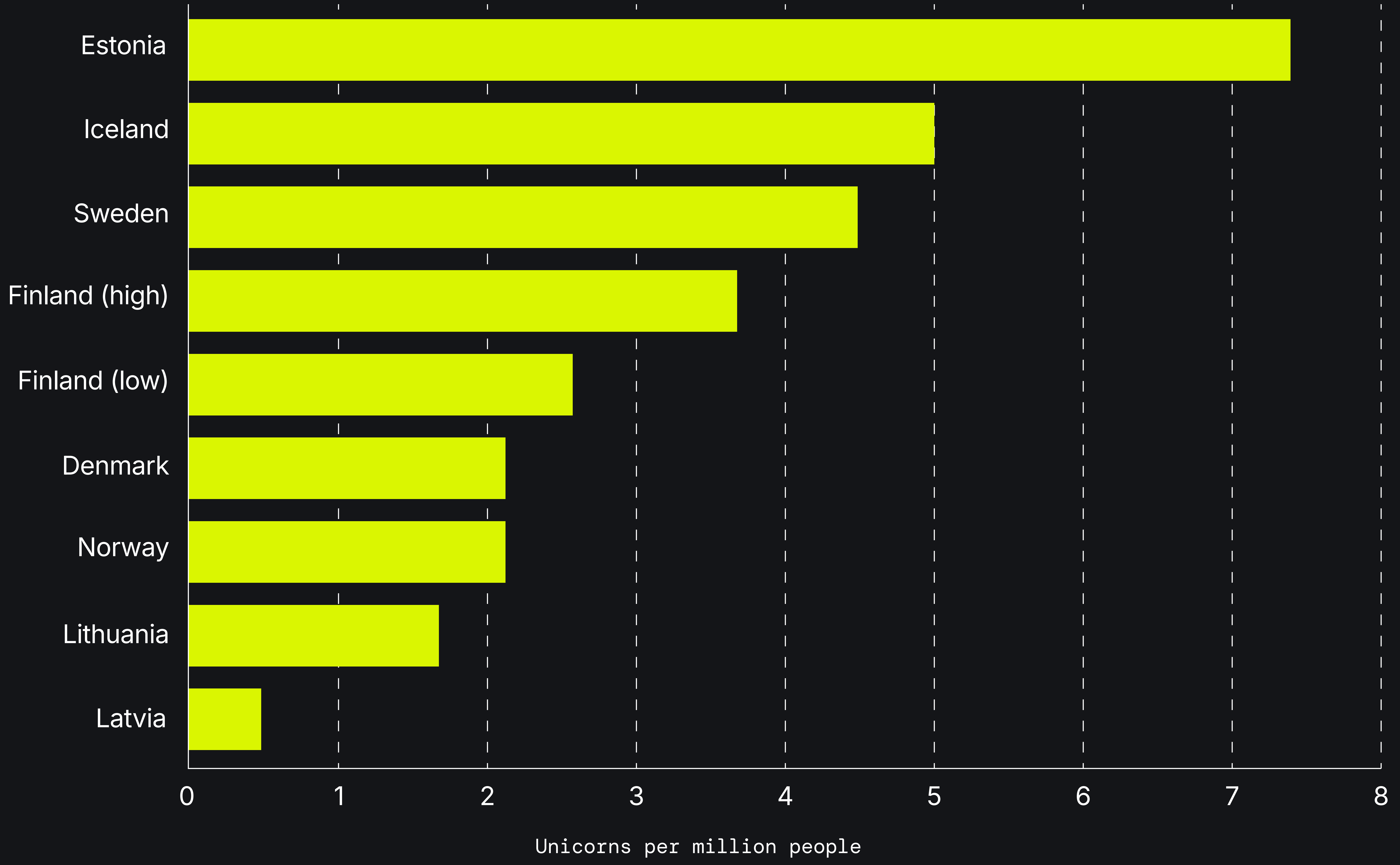
The region created **106 unicorns** between 2013-25, accounting for **~17% of Europe's unicorns** while representing only **~4% of Europe's population**.



Source: Pitchbook

Latitude 59°

Unicorns per 1M people



Latitude 59°

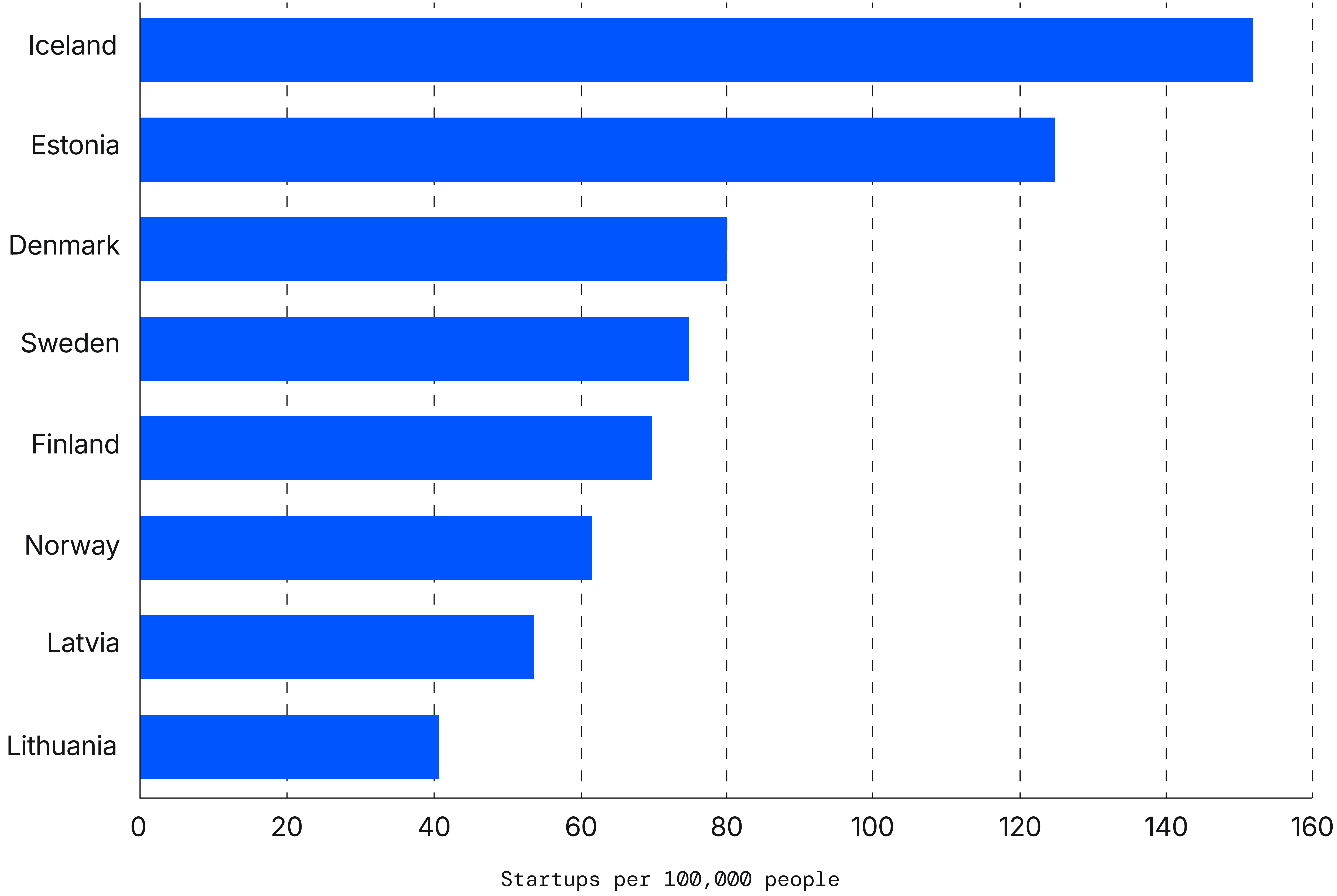
How many?

In total 12 200 active startups listed in the New Nordic countries from official sources

174k
Traxcn (total)

25k
Traxcn (funded)

Startups per 100k people (data from Traxcn)



Latitude 59°

Top funded companies

#1	Northvolt	$13B
#2	Stegra	$6.5B
#3	Klarna	$5.2B
#4	BOLT	$1.8B
#5	Oura	$1.3B
#6	AlphaSense	$1.2B
#7	Tradeshift	$1.0B
#8	Wolt	$739M
#9	Unity	$668M
#10	Einride	$646M
#11	Kry	$603M
#12	ICEYE	$589M
#13	Lunar	$578M
#14	Lovable	$561M
#15	VOI	$537M
#16	VINTED	$530M
#17	IQM	$465M
#18	Pleo	$409M
#19	Aiven	$361M
#20	SKELETON	$359M
#21	WISE	$339M
#22	TINK	$309M
#23	STARSHIP	$290M
#24	Neko Health	$279M
#25	ZEGO	$243M
#26	Juni	$242M
#27	Gelato	$231M
#28	Legora	$229M
#29	CAST.AI	$224M
#30	Cognite	$193M

Executive summary (1/2)

2025 represented a year of increased activity and outlier rounds

Key figures

€1.4B
Invested capital

234
Funding rounds

€309M
Invested in Dev & Design Tools

2025 was the year of the New Nordics: bigger momentum, bigger outliers

Early-stage startups raised €1.4bn (+19% YoY) across 234 rounds (+7%), signalling a clear step-up in activity.

Sweden set the pace, and Denmark stayed on its heels

Sweden led on invested capital (€486m) and deal count (70 rounds). Denmark followed closely (€358m, 54 rounds), while Finland saw a sharp pullback to 29 rounds (-35% YoY).

Stable medians, wider tails - the top end stretched despite quarterly volatility

Median round sizes barely moved, holding at roughly €1m (pre-seed), €2.5m (seed), and €12m (Series A). But dispersion widened significantly: pre-seed/seed ranged from ~€0.3m to €17m+, and Series A from ~€2.5m to €170m, underscoring a year marked by outliers.

Megarounds drove sector activity

Lovable (~€183m) pushed Dev & Design Tools to €309m, and Actithera (€64m) lifted TechBio & Bio to €235m Notably, Frontier & Deeptech jumped to €178m (+456% YoY). Underneath the spikes, activity remained healthy across Frontier & Deeptech, FinTech, and Energy & Climate (20+ rounds each), while B2B dominated (89% of rounds).

Executive summary (2/2)

Money followed conviction: impact remained resilient, while the path to Series A lengthened

Key figures

18%
Rounds with diverse founders

23%
Share of impact* startups

10%
Share of rounds with non-European participation

Impact startups continued to attract investment, while funding for diverse teams shrank

Even with lower volume of impact rounds, capital allocation remained meaningful - ranging between 10% and 43% across the year. By contrast, invested capital backing diverse teams dropped sharply to 8% (-13% YoY).

External investors maintain strong presence

Investors from outside the New Nordics participated in 41% of rounds (-11% YoY). Non-European participation also dipped to 10% (-3% YoY), pointing to a modest pullback in global interest.

Track record alone no longer guaranteed funding

VCs continued to back experienced founding teams, with 27% of rounds in 2025 involving at least one repeat founder. However, this marked a decline from 44% in 2024, suggesting that founder track record alone was less determinative, as capital increasingly flowed to first-time founders meeting higher proof thresholds.

Higher maturity thresholds at Series A

Median startup age at seed held at 3 years, while Series A increased from 4.2 to 5.5 years. This shift suggests that companies are either reaching traction milestones later or VCs are applying stricter maturity and validation criteria before committing to Series A rounds.

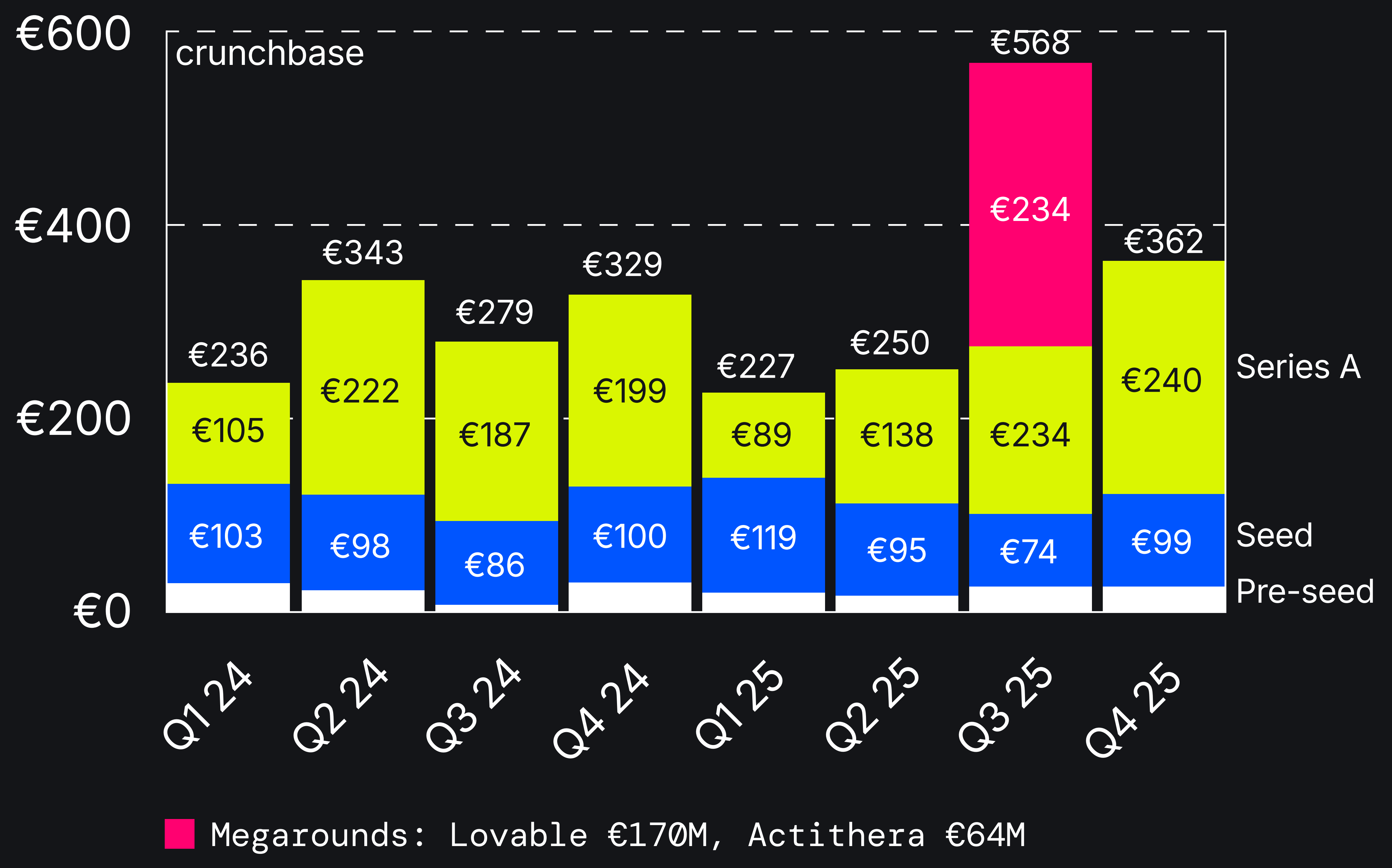
Note: *See our definition of an impact startup in the appendix.

2025 marked a gradual rebuilding of early-stage momentum

Total amount invested in 2025: €1.4B vs. €1.18B in 2024

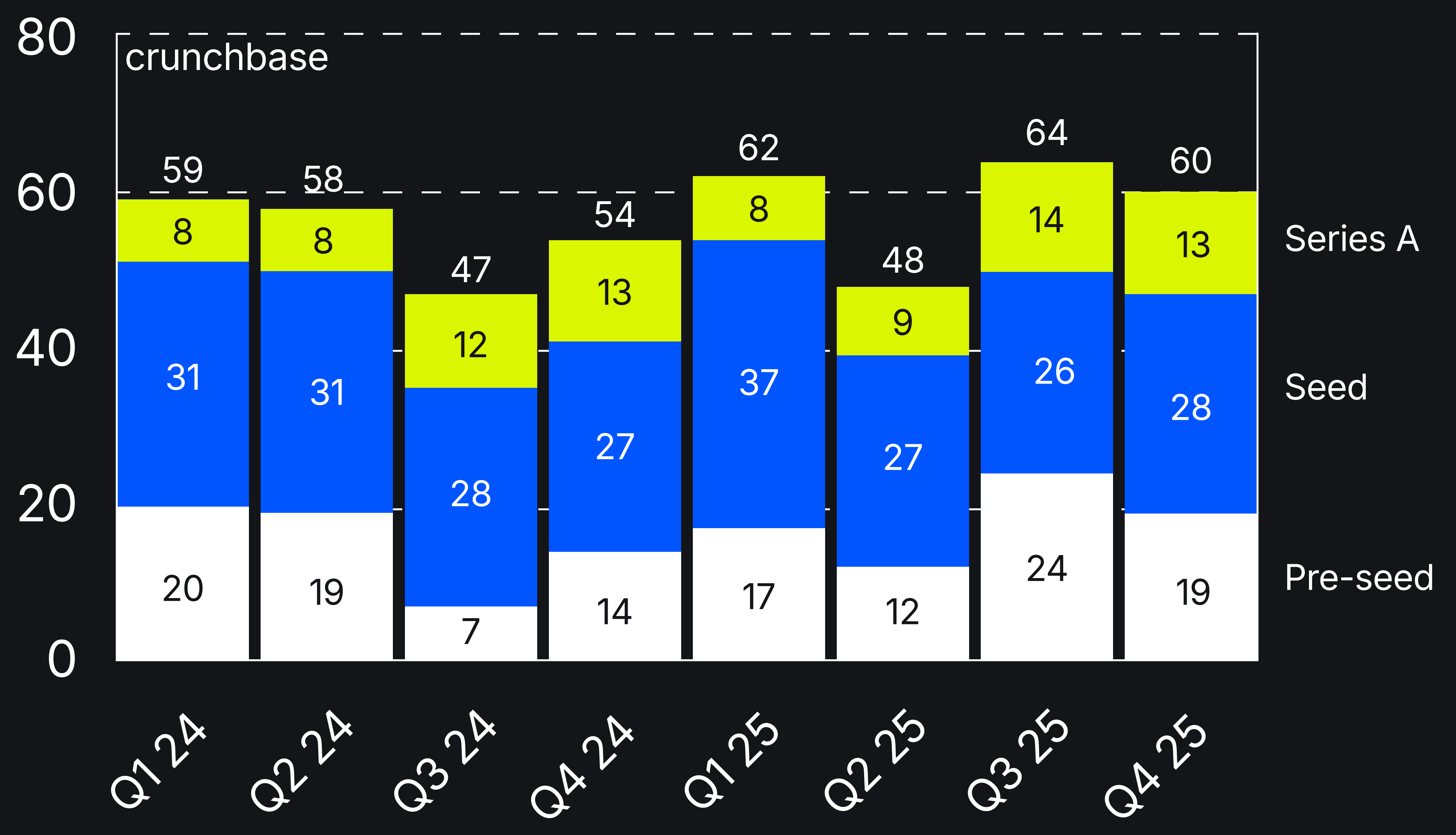
€1.4B invested capital in early stage

Representing a significant jump of 19% compared to €1.18B in 2024



234 fundraising rounds

Across Pre-seed, Seed, and Series A rounds in 2025, indicating a slight increase of 7% compared to the 218 rounds in 2024



Note: Includes pre-seed, seed, and Series A rounds.
Source: byFounders internal tracking powered by Crunchbase

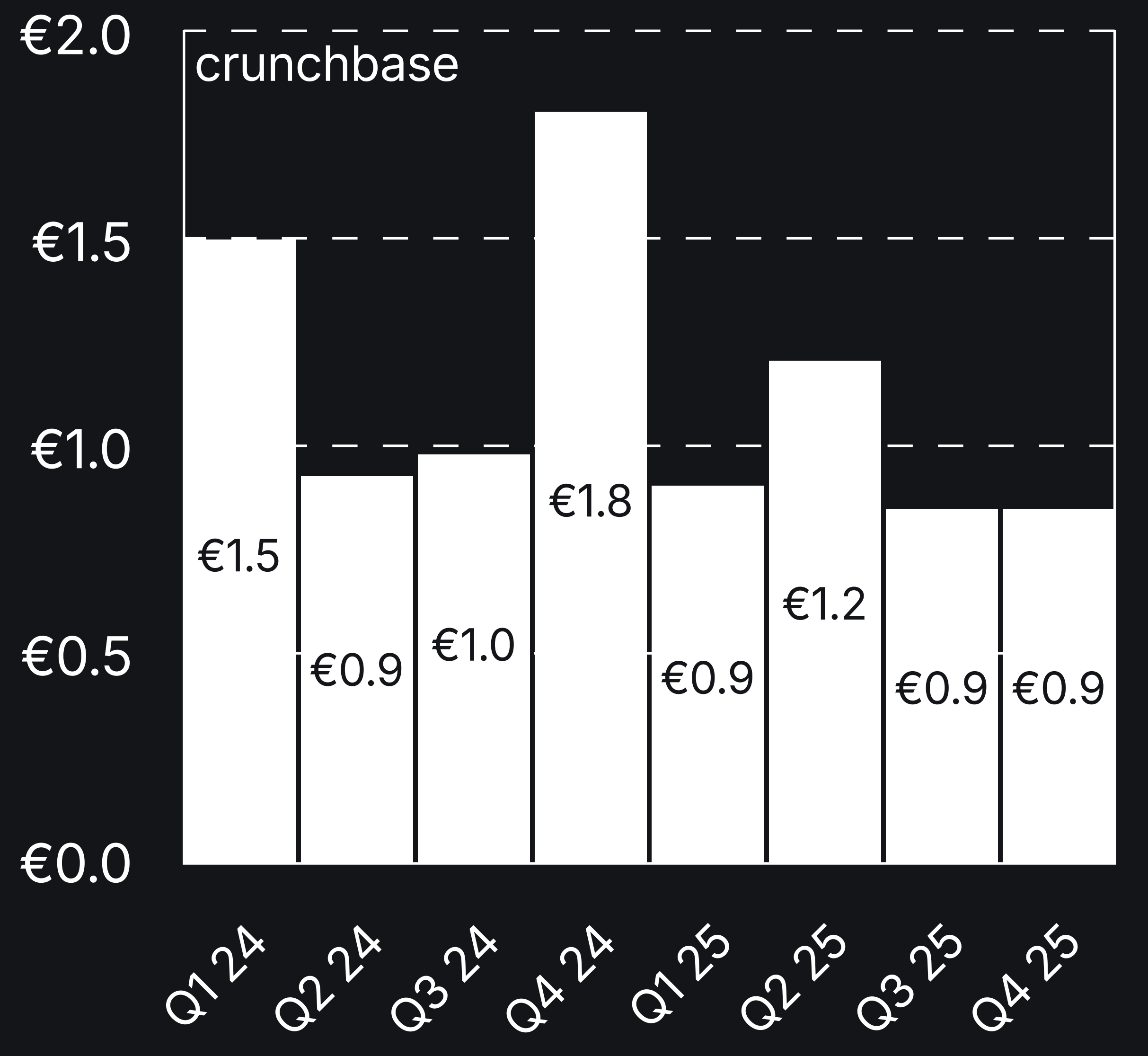
Median round sizes remain broadly unchanged

Despite quarterly volatility, pre-seed ~€1M, seed ~€2.5M, and series A ~€12M median round sizes remain in line with historical norms

Pre-seed

Medians remain anchored around ~€1M

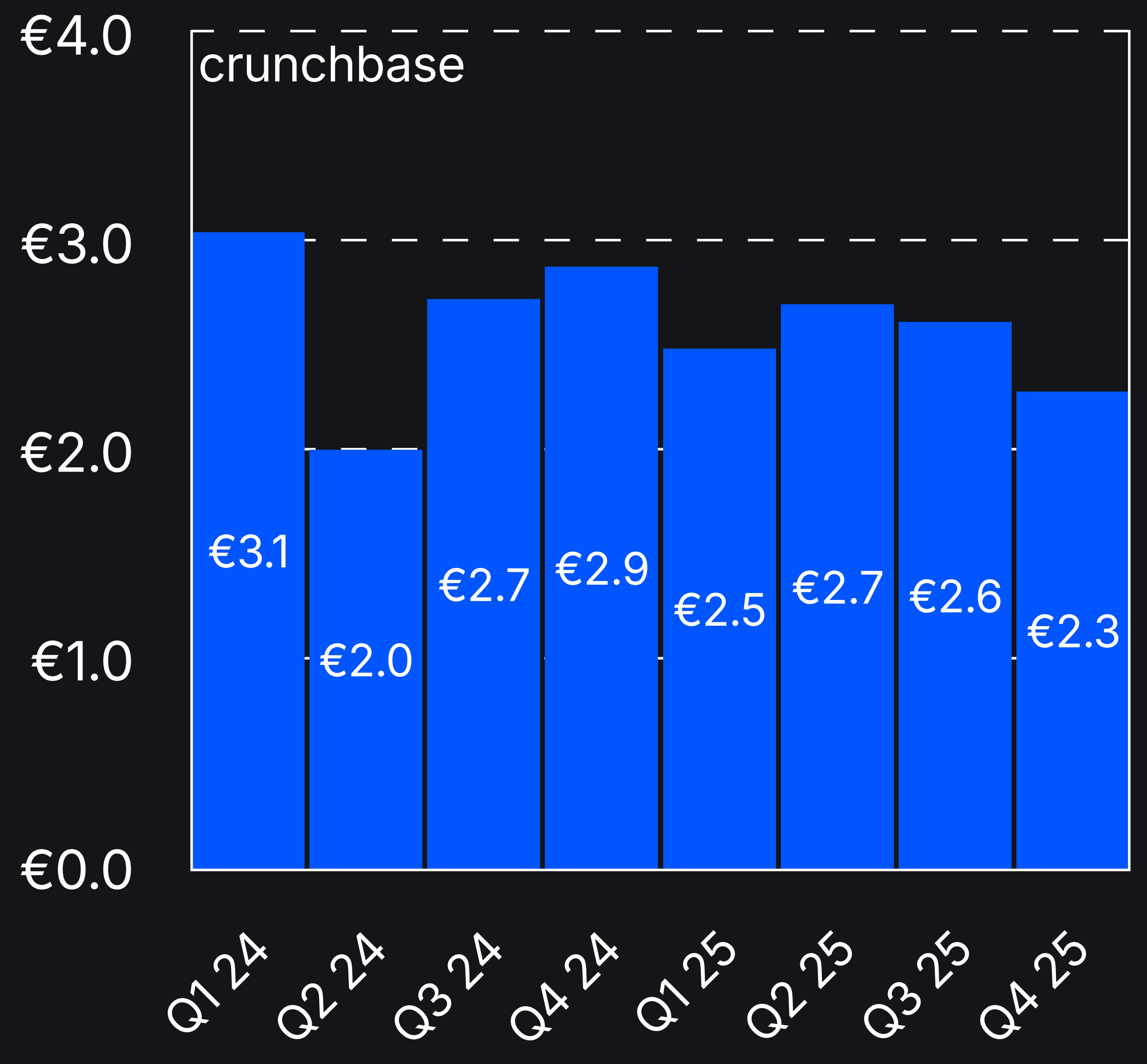
Median pre-seed round size (EUR, million)



Seed

Median seed rounds consistently ranged between ~€2M and ~€3M

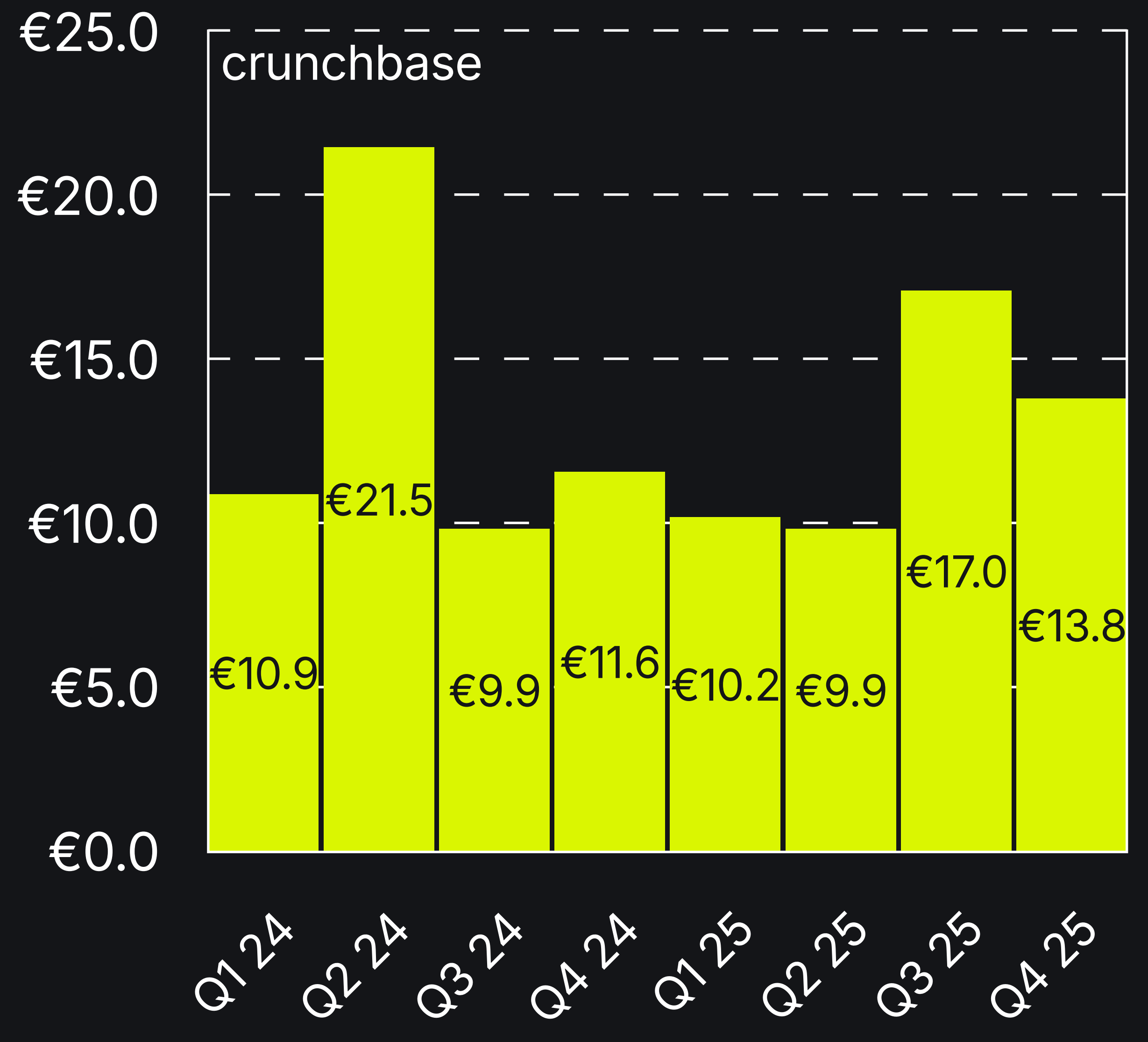
Median seed round (EUR, million)



Series A

Median Series A rounds fluctuated greatly between ~€10M and ~€17M

Median Series A round (EUR, million)



Note: Median Series A volatility is amplified by smaller quarterly sample size
Source: byFounders internal tracking powered by Crunchbase

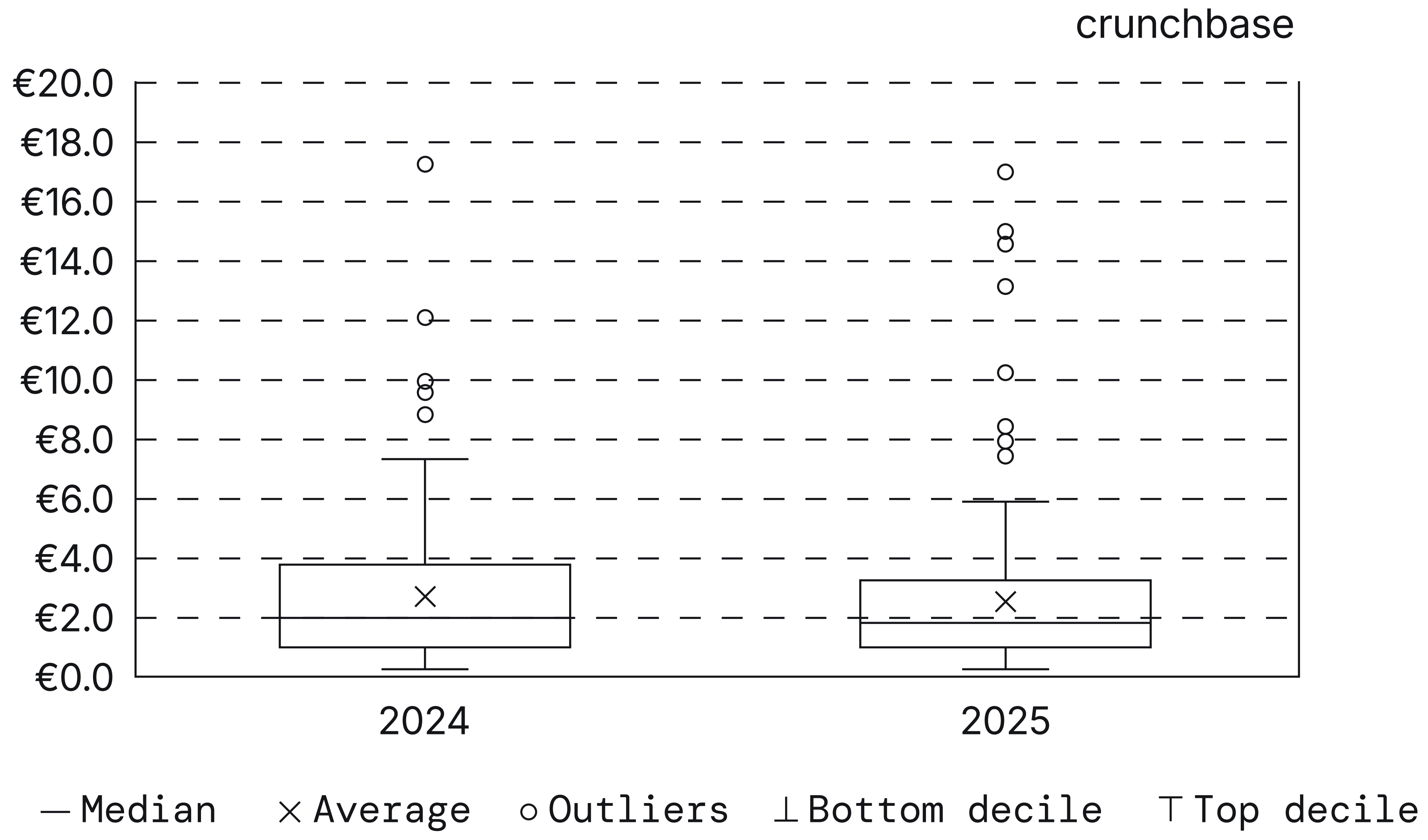
Plenty of dry powder for the right companies

Top seed rounds exceed €6M and leading Series A rounds approach €40M, even as overall round dispersion widens, pointing to strong competition for the best companies

Pre-seed & seed round dispersion

Pre-seed and seed rounds in 2025 remain highly dispersed, ranging from €0.3M to over €17M. Top decile round sizes are however below 2024 numbers with a large number of outliers.

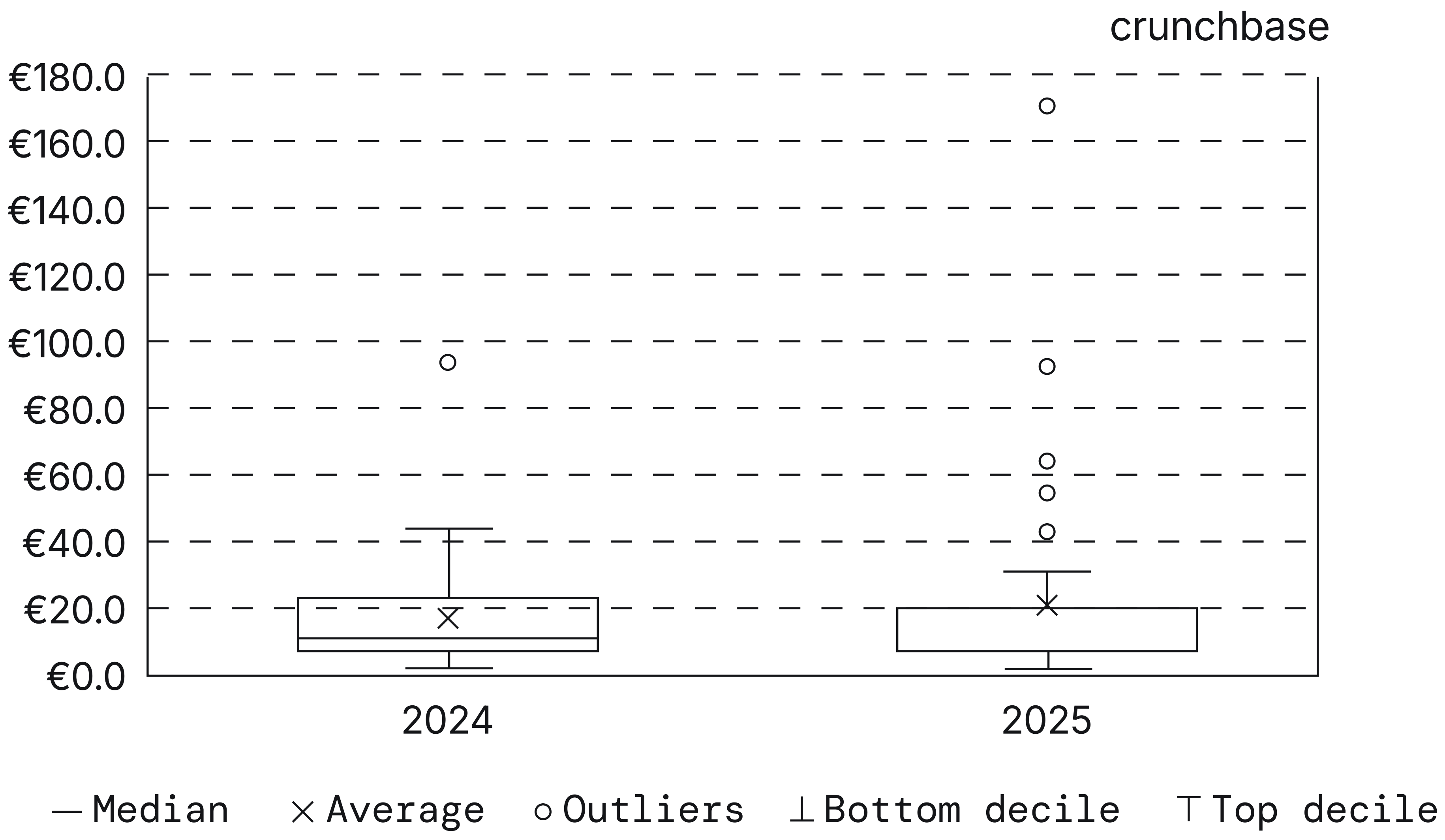
Seed funding value dispersion by year (EUR, millions)



Series A round dispersion

Series A rounds in the New Nordics range widely, from ~€2.5M to over €170M. While the median and top decile has dipped slightly compared to 2024, there is a significantly larger number of outliers.

Series A funding value dispersion by year (EUR, millions)



Source: byFounders internal tracking powered by Crunchbase

The path from seed to Series A is showing promising signs

Recent seed cohorts (Q4 ’22 onwards) are quicker to graduate - signalling renewed momentum at Series A

%-share that raised Series A over time

Seed Vintage		n	4				8				12				16				20
2020	Q1	29	0%	3%	7%	14%	17%	21%	24%	24%	31%	31%	34%	34%	34%	34%	69%	69%	69%
	Q2	44	5%	7%	14%	16%	16%	16%	16%	18%	18%	18%	20%	20%	20%	20%	43%	43%	43%
	Q3	39	3%	5%	8%	13%	15%	21%	21%	23%	23%	23%	23%	23%	23%	23%	54%	54%	54%
	Q4	36	6%	8%	11%	11%	11%	11%	14%	17%	19%	19%	25%	25%	28%	28%	58%	58%	61%
2021	Q1	43	0%	5%	5%	5%	7%	14%	14%	16%	16%	16%	16%	16%	16%	16%	33%	33%	
	Q2	72	4%	6%	7%	10%	10%	10%	11%	14%	14%	14%	14%	14%	14%	17%	33%		
	Q3	50	8%	8%	10%	10%	10%	10%	10%	12%	14%	14%	14%	16%	16%	16%			
	Q4	55	9%	9%	9%	9%	11%	13%	13%	13%	13%	13%	13%	13%	13%				
2022	Q1	53	0%	0%	2%	4%	6%	8%	9%	9%	9%	11%	11%	11%					
	Q2	54	0%	2%	2%	2%	4%	4%	7%	11%	13%	15%	15%						
	Q3	35	0%	3%	3%	3%	3%	3%	6%	6%	6%	9%							
	Q4	45	2%	4%	9%	11%	13%	18%	24%	24%	24%								
2023	Q1	35	0%	3%	6%	14%	17%	20%	26%	29%									
	Q2	37	0%	3%	5%	11%	11%	16%	19%										
	Q3	23	0%	0%	4%	9%	17%	22%											
	Q4	21	5%	5%	10%	10%	14%												
2024	Q1	34	0%	3%	3%	9%													
	Q2	32	3%	6%	13%														
	Q3	27	7%	7%															
	Q4	31	3%																

Quarters after Seed

Within 1 year after Seed raise

Within 2 years after Seed raise

Within 3 years after Seed raise

Within 4 years after Seed raise

Within 5 years after Seed raise

crunchbase

Note: Only includes Seed & Series A rounds with participation from a VC. Minimum round size of 300,000 USD.

Outlier Founder DNA decoded

What breaks or makes a company at the early stages

- **It's a founders' game now** — The best founders have more options than ever: YC, hacker houses, global angels. VCs chase them, not the other way around.
- **Velocity is the filter** — The ones worth chasing move at a speed that makes the decision easy. Weeks to first revenue. You either see it immediately or you've already missed it.
- **Intensity is a choice** — The outliers have consciously rejected the Nordic work-life default. In-person, all-in, cultish about the vision. That's not a red flag anymore — it's the signal.
- **Where they build tells you everything** — Founders who seek out the hardest environments — SF, YC, hacker houses — are self-selecting into the top 1%. The location isn't the point. The intentionality is.

2025 -VC fundraise by country

- Sweden 2.3B (Lovable, Legora, Neko)
- Norway 912M EUR (BW Energy, Esmart Systems)
- Lithuania 238M (CastAI, Nexos, Atrandi)
- Finland 1.54B (OURA, IQM, ICEYE)
- Estonia 293M EUR (Pactum, Starship, Blackwall)
- Denmark 1.56B (Flatpay, Hemab, Sidera Bio)
- Latvia 76m EUR (Aerones)
- Iceland 183M EUR (First Water, Laxey, Arctic Therapeutics)

TOTAL 7.102B

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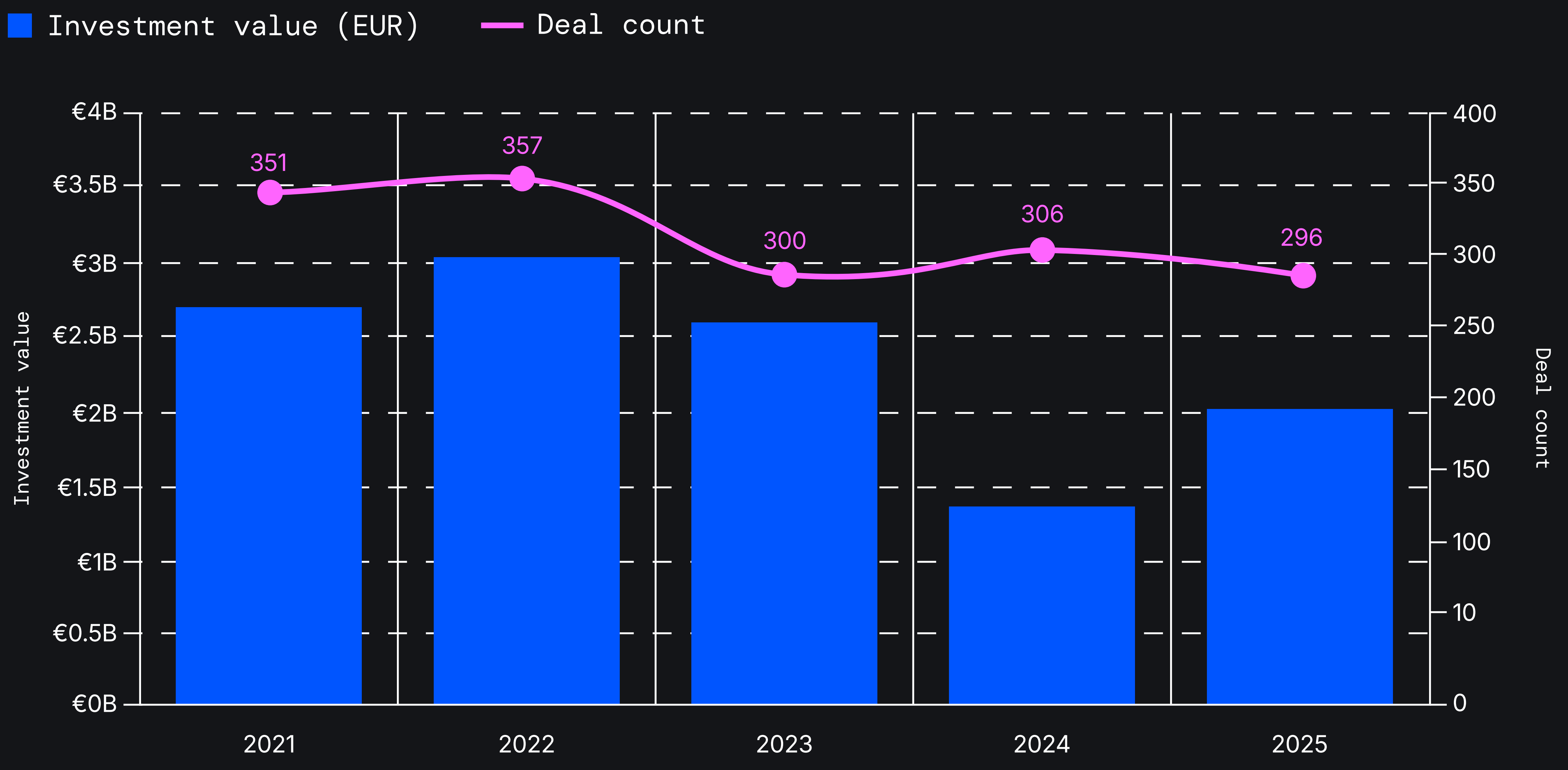
AI is the backbone of the region

Nordics

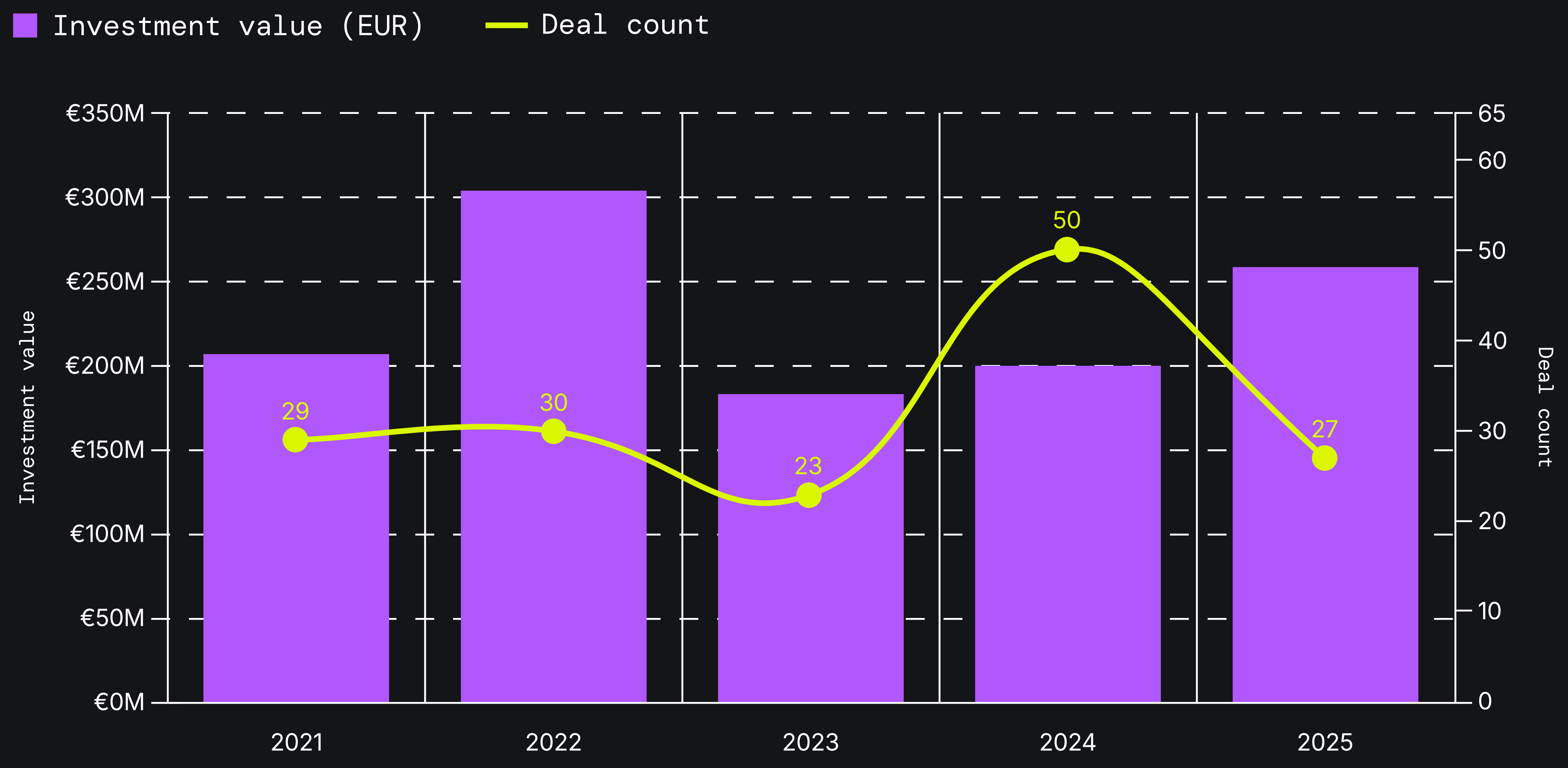
Total invested	Total deals	Peak year	Avg deal size
€11.4B	**1610**	**2022**	**€7M**



Source: Pitchbook, NORDIC Private Capital Breakdown

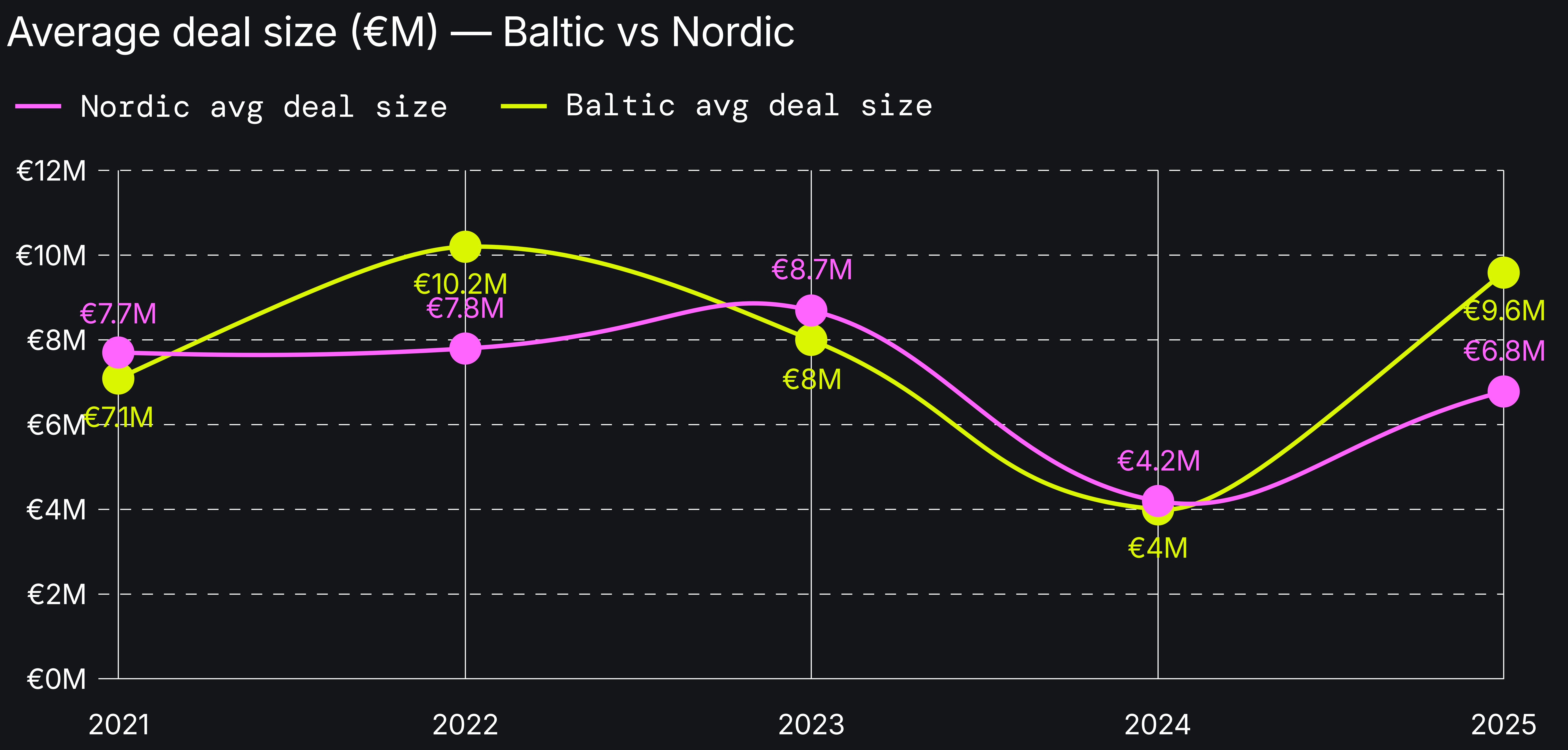
Baltics

Total invested	Total deals	Peak year	Avg deal size
€1.16B	**159**	**2024**	**€7.3M**



Source: Karma internal data

AI average deal size is similar across the region - differences in markets are in stages and volumes

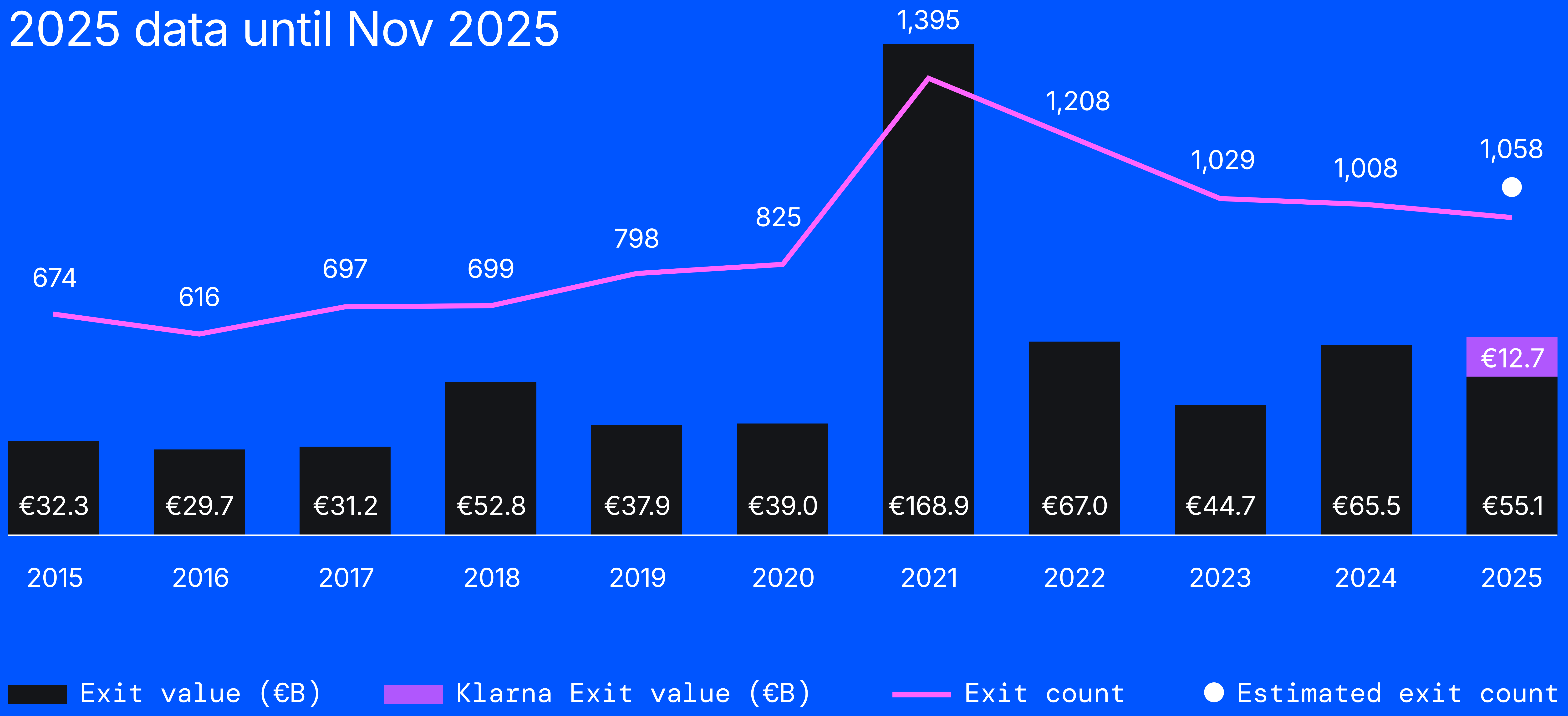


Sources: Karma Ventures internal data (Baltic); PitchBook / Nordics as of 31 Dec 2025 (Nordic)

Latitude 59°

European exit activity is showing signs of recovery

2025 data until Nov 2025



Exit-ready Pipeline Growing

Revolut
London, UK
Latest valuation: $75B

Bolt
Tallinn, Estonia
Latest valuation: $8.1B

Personio
Munich, Germany
Latest valuation: $6.3B

Vinted
Vilnius, Lithuania
Latest valuation: $5.5B

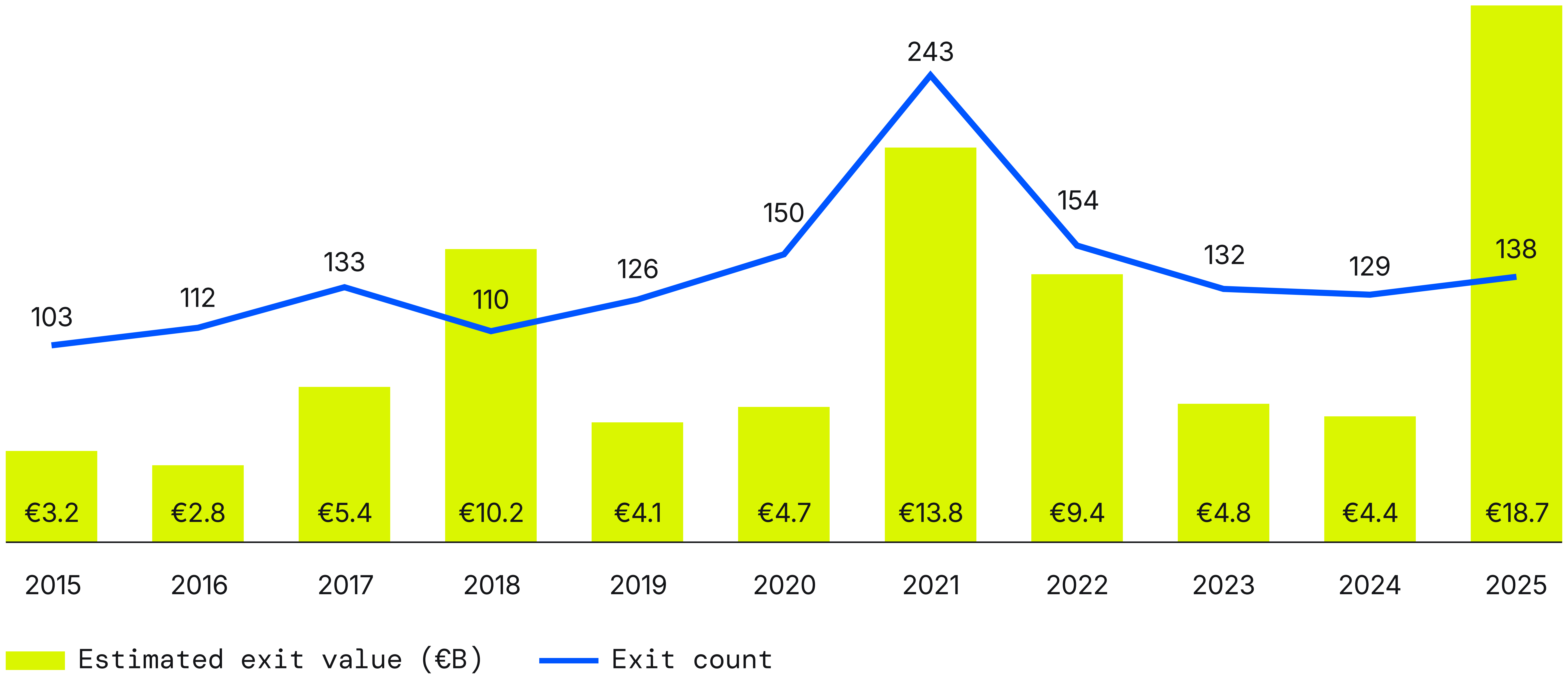
FLIX
Munich, Germany
Latest valuation: $3.3B

zilch
London, UK
Latest valuation: $2B

Source: Pitchbook (edited)

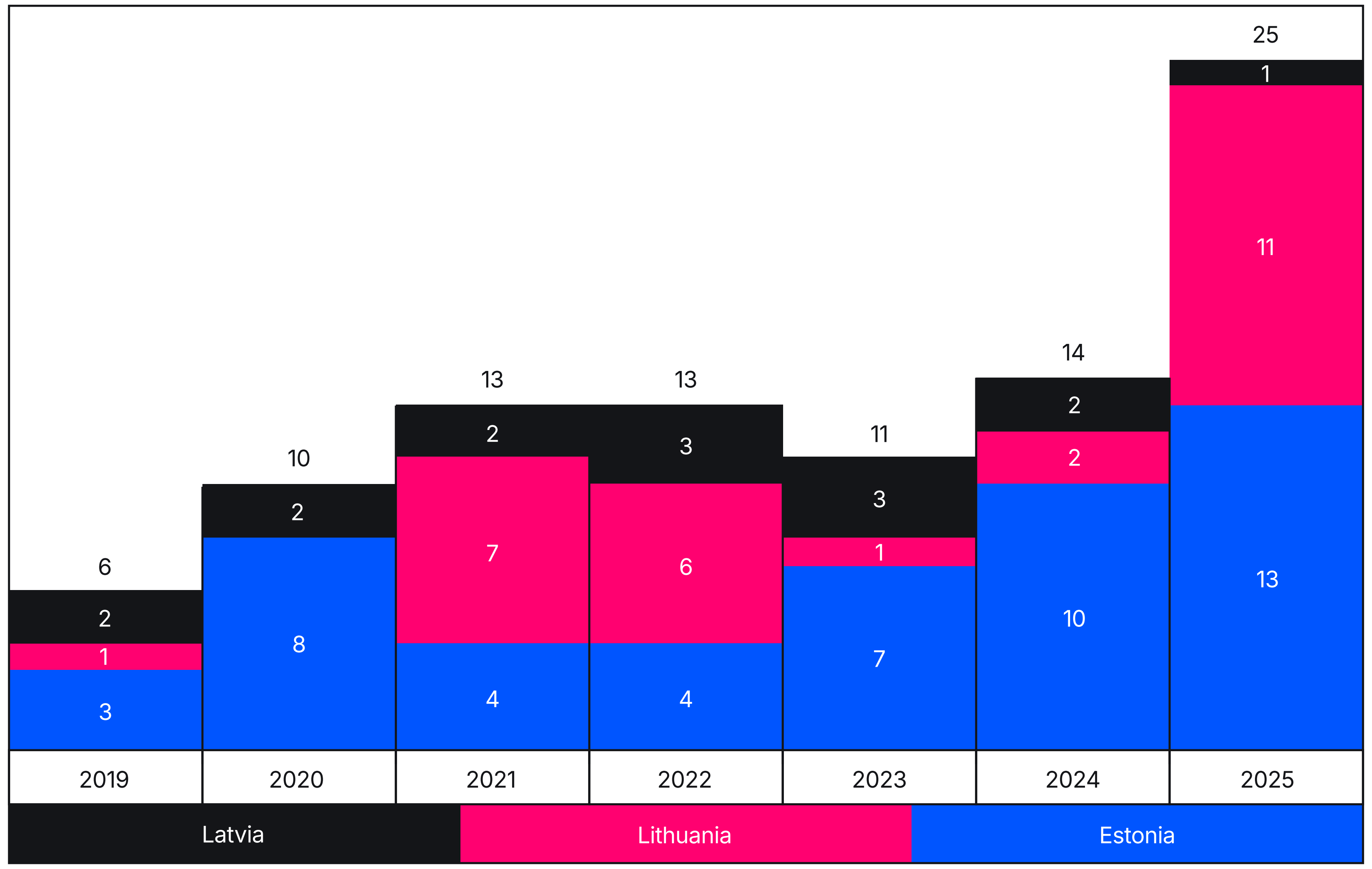
New Nordics is even stronger in recovery

Klarna boosted the market, without it up approx 40% - Baltics measure count



Source: Pitchbook

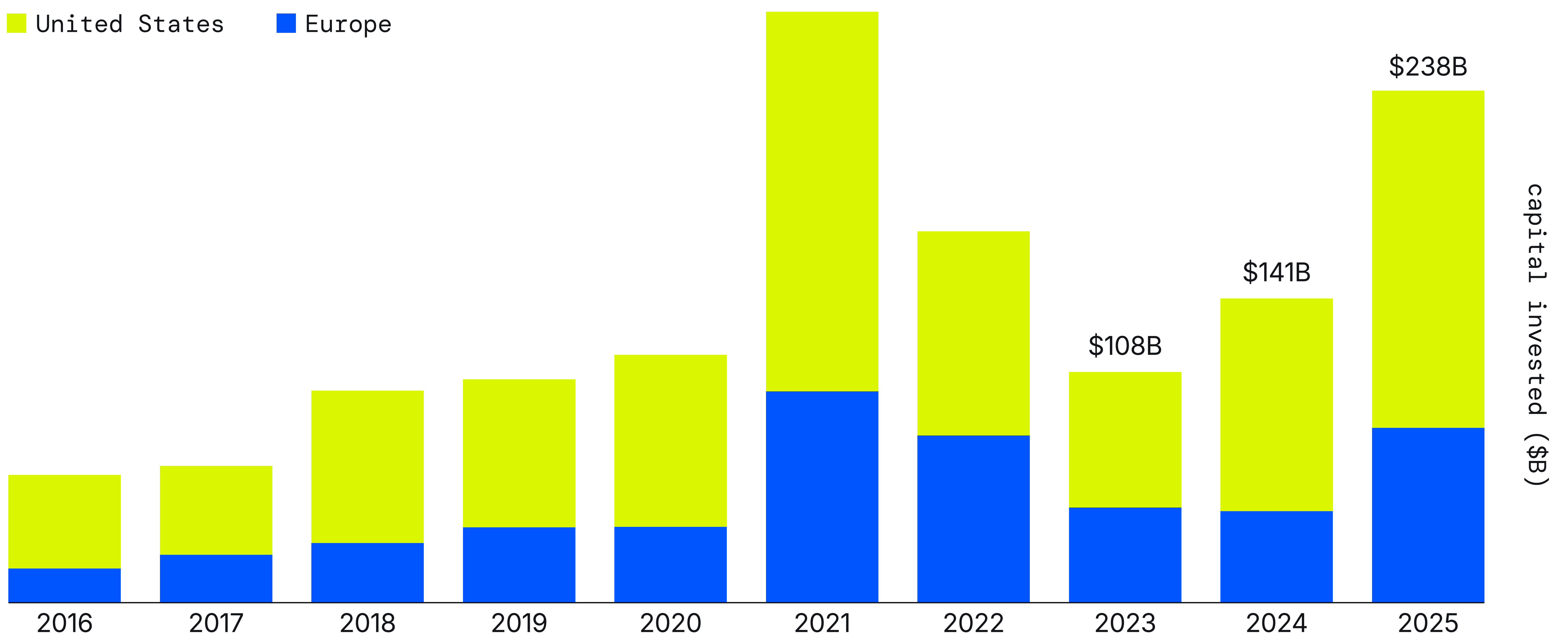
Number of exits by country, 2019-2025



Source: Baltic Startup Funding report

EU still lags behind in investments

Total capital invested ($B) in Europe and United States, 2016 to 2025



In 2023, $43 billion was invested in European tech

In 2024, $41 billion

In 2025, $66 billion

Source: Atomico, Dealroom, Crunchbase
Data is as of 30 september 2025. Full year 2025 extrapolated based on year to date data. Excludes the following: biotech, debt, lending capital, and grants.

Europe needs to seize the moment with the New Nordics leading the way

Capital

0.01%
of European pension AUM gets invested in VC annually

3x
higher in the US

Procurement

9%
of public procurement goes to innovation

20%
equivalent in the US

IT Spend

$2T
spent by European corporates and governments on IT

mostly going to US vendors

Source: Atomico, Invest Europe, PPMI, Dealroom
Data is as of 30 september 2025.

Thank you!