



The State of the CEE Startup Scene 18th

May, 2017

Cristobal Alonso,

CEO

ABOUT

OUR MISSION

Build great international companies


OUR VISION

Be a platform for experienced founders to mentor and invest into next generation founders.

OVERVIEW

- Leading B2B focused business accelerator in Europe
- Completing 8th Program. 70 Investments.
- 9th program starting in Riga in September 2018, 11 teams
- Attracting founders from over 40 countries, 4 continents.
- 150+ international mentors & investors.
- Current portfolio valuation 3.5X
- First EXIT – Vital Fields

Startup Wise Guys Helps Founders Go Global Faster



STARTUP
WISE GUYS

startups	mentors	Countries
70	150+	40

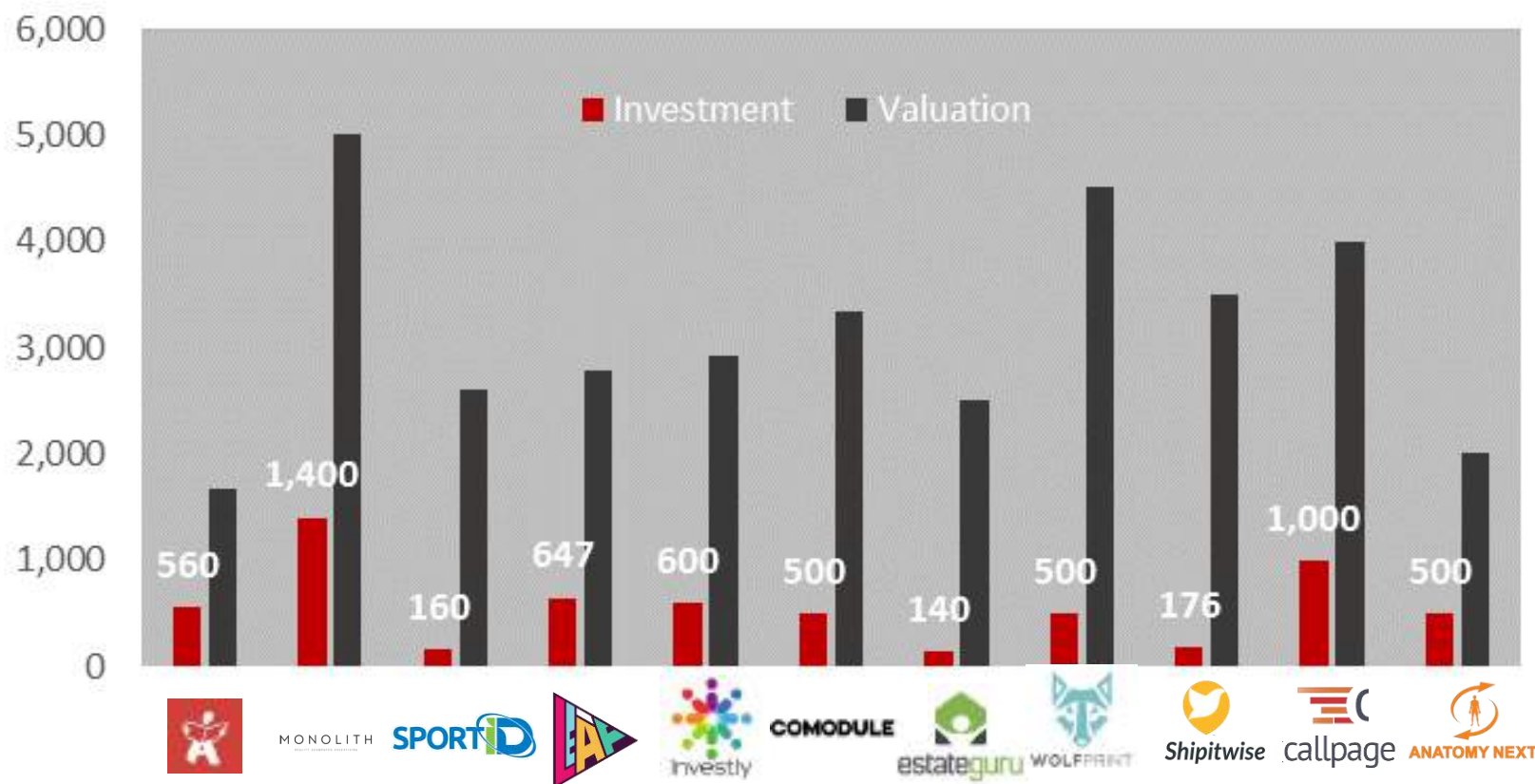
Riga LV

Tallinn EE

Copenhagen DK

Near 20% of Startup Wise Guys Portfolio Companies Have Valuation Exceeding 2 Million Euro

Investments (000), Valuation (000), Multipliers





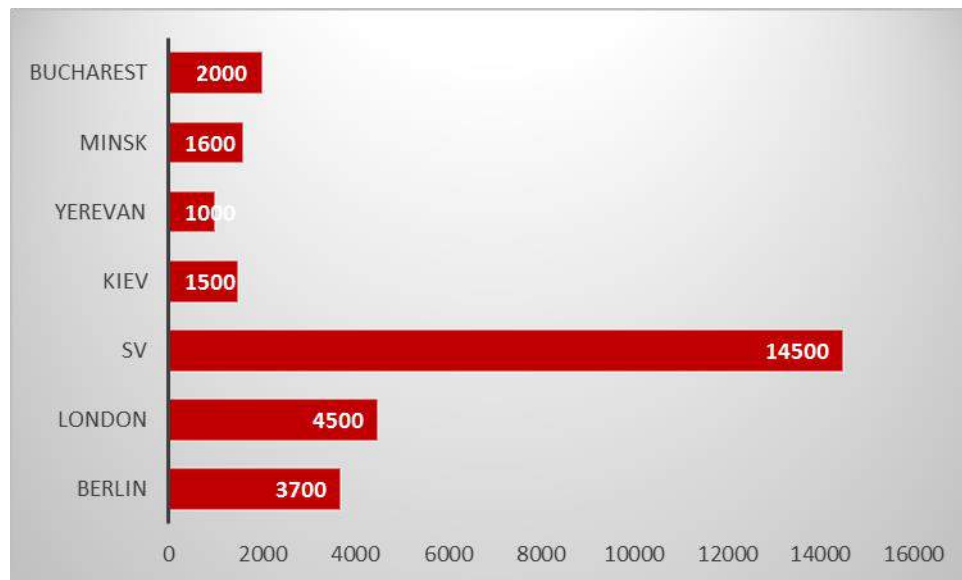
So why are we so excited about CEE?

CEE ADVANTAGES

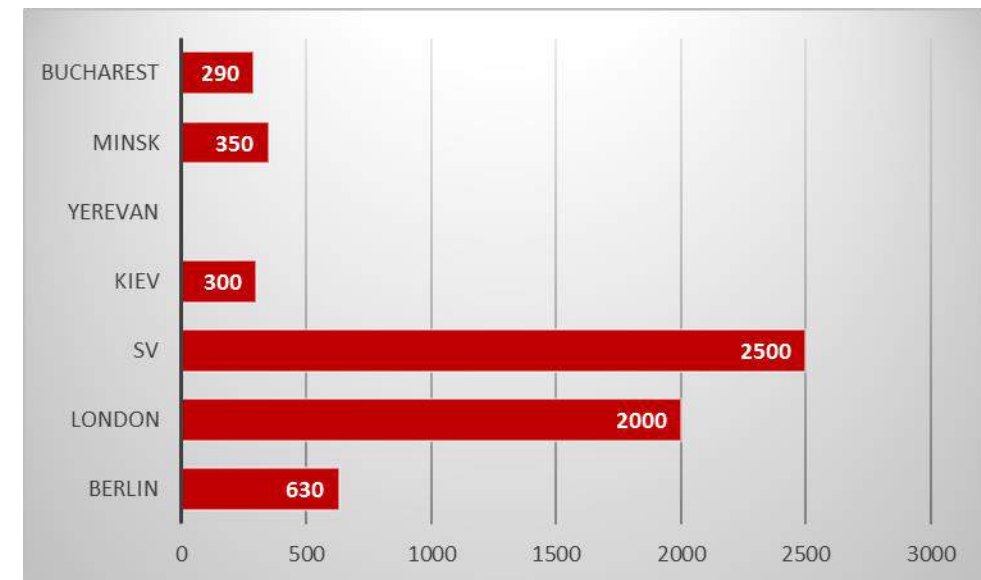
1. Lower operational costs
2. Availability of technical talent
3. Underserved in terms of funding
4. Rapidly developing ecosystems
5. Ambition

CEE - OPERATIONAL COSTS

Average salary for 3 years experience developer:



1 bedroom apartment in city centre rent:



CEE - TECHNICAL TALENT

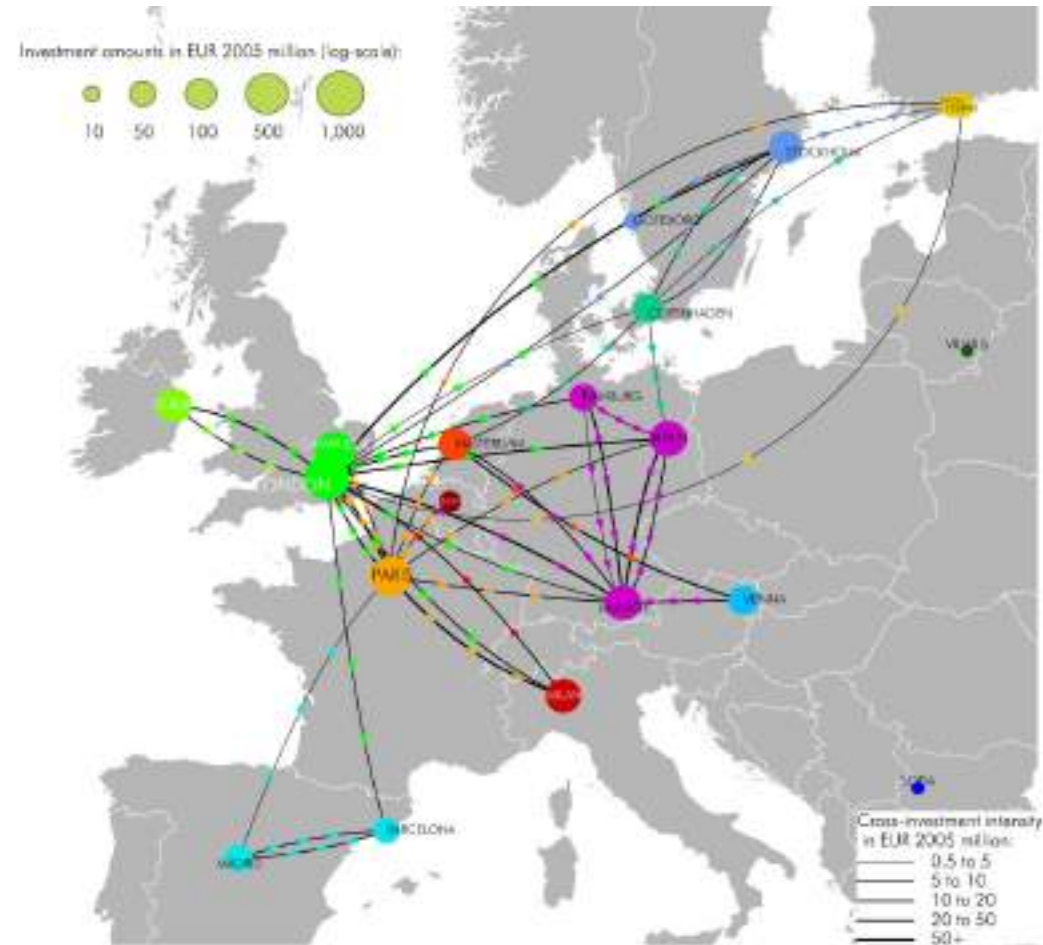
**200,000 students graduate in engineering and sciences
every year from the universities in the CEE European
Union countries**

<https://statistik.arbeitsagentur.de/Statischer-Content/Arbeitsmarktberichte/Branchen-Berufe/generische-Publikationen/Broschuere-MINT-2016.pdf>

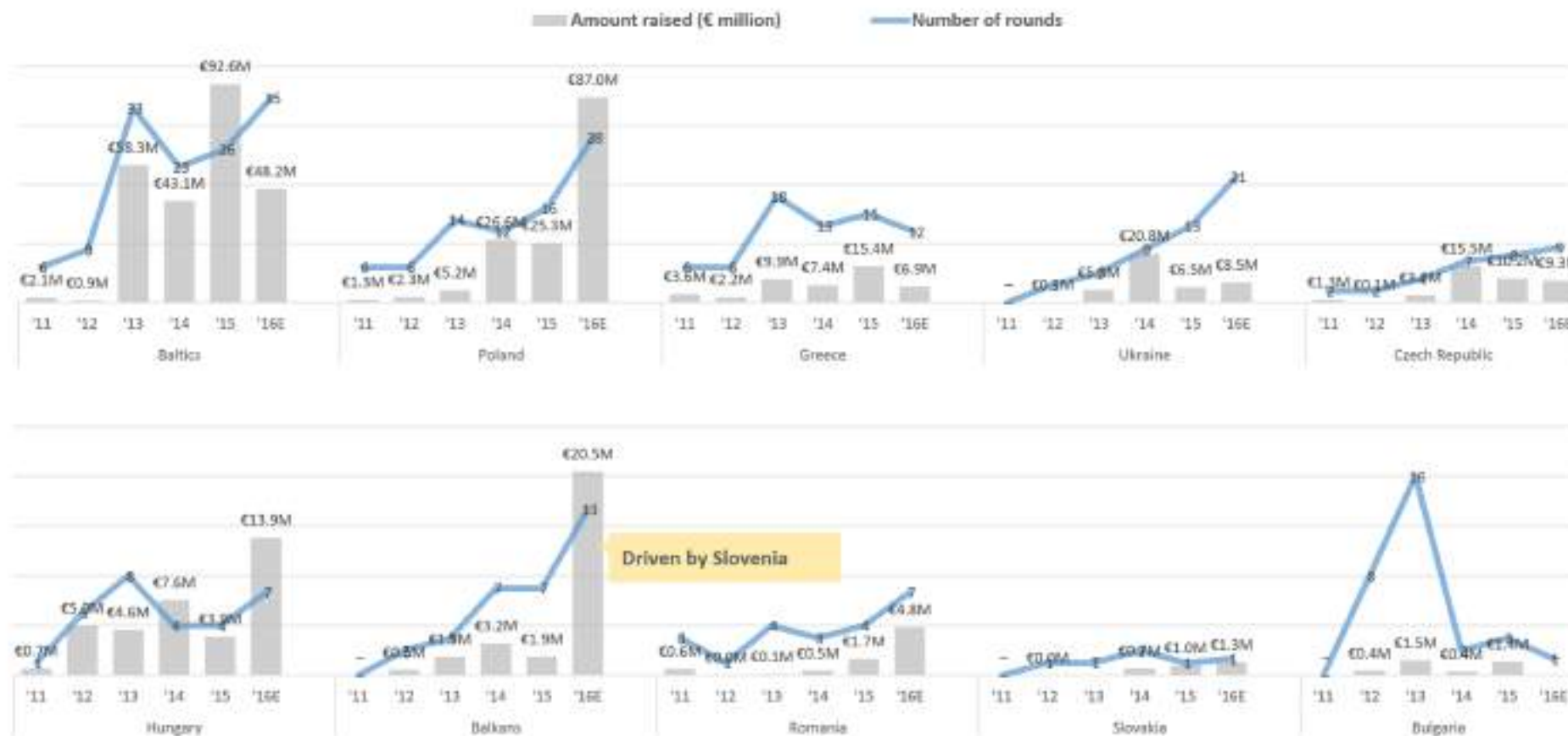
VC Investments Levels



CEE – IT HAS NOT EVEN BEGAN



CEE – FUNDING & ECOSYSTEM



CEE – Top Rounds per country

Poland	Amount (€M)	Date	Baltics	Amount (€M)	Date	Greece	Amount (€M)	Date	Ukraine	Amount (€M)	Date	Czech Republic	Amount (€M)	Date
dogplanner	18.2	Jun-16	Vinted	24.5	Dec-15	Transifex	3.6	Jul-15	Epom	6.4	Mar-14	Avast Software	90.9	Oct-10
AirHelp	10.9	Aug-16	Vinted	23.4	Jan-14	Tacibeat	3.5	Dec-13	1NewTrack.com	4.5	Mar-14	Internet Mall	40.9	Jun-08
Infinity	10.9	Aug-14	Game Insight	22.7	Feb-13	tripeta / travelplanet24	3.5	Jun-14	Topmail.ua	4.5	Apr-13	NetRetail Holding	39.5	Jan-08
Silver	10.9	Nov-16	Adcash	20.0	Jan-15	HotelBrain	3.0	Apr-15	Topmail.ua	2.9	Oct-14	Internet Mall	28.0	May-08
dogplanner	9.1	May-15	Skeleton Technologies	13.0	Aug-16	appweavr	2.8	Jul-09	Gill Business Systems	2.7	Jun-14	NetRetail Holding	10.0	Sep-10
Creamfinance	5.6	Nov-14	Eco Baltia	10.0	Aug-15	Intale	2.3	Oct-13	Zakaq	2.3	Sep-16	Visual Unity	6.5	Jun-14
Hakko	5.5	Oct-16	Skeleton Technologies	9.8	Jun-15	Pollfish	2.3	Jul-15	Clickly	1.8	Apr-15	Apiary	6.2	Aug-15
SALESmanago	5.5	Feb-16	ANF Technology	9.1	Mar-13	Transifex	2.3	Jun-14	Settle	1.4	Sep-15	Sphericam	4.5	Apr-16
Kontakt.io	4.5	Feb-16	Fortumo	9.1	Feb-13	Instabuck	1.8	Aug-13	Settle	1.4	Jul-14	Geewa	3.8	Jun-14
UXPin	4.5	Jul-15	Ungrist	7.3	Nov-15	Tacibeat	1.6	Jul-13	Ajax Systems	0.9	Jun-15	BuddyBet	2.7	Apr-13

Hungary	Amount (€M)	Date	Balkans	Amount (€M)	Date	Romania	Amount (€M)	Date	Slovakia	Amount (€M)	Date	Bulgaria	Amount (€M)	Date
SPAM Systems	45.5	Jun-08	ICONOMI	9.5	Sep-16	BitDefender	6.4	Dec-07	ARDACO	3.3	Mar-06	Klear	1.4	Jul-15
BelaBIT IT Security	7.3	Jun-14	GoOpti	2.9	Nov-16	Access Point	4.1	Jan-10	Vectary	2.3	Oct-16	FootballScout	0.6	Mar-13
AdasWorks	6.2	Mar-16	Zemanta	2.7	Nov-10	Geoad Technologies (axigen)	2.7	Nov-07	Zity Melon	1.0	Sep-15	Transmetrics	0.4	May-14
3G Multimedia	3.6	Jul-12	Zemanta	1.8	Nov-13	Geoad Technologies (axigen)	1.8	Sep-04	SafePass	1.0	May-16	Transmetrics	0.3	Aug-13
AdasWorks	2.4	Aug-15	Grafale	1.8	Feb-16	Marketizator	1.0	Apr-16	Datamolino	0.5	Feb-14	Microwebber	0.3	Apr-12
Artiklikk	2.3	Aug-13	GoOpti	1.5	Nov-16	Smart Bill	1.0	Mar-16	Vectary	0.2	Oct-14	Transmetrics	0.2	Mar-13
Noize Freaks	2.0	Nov-13	Vouchr	1.4	Nov-14	123Contactform	0.9	Jun-15	Negotiant	0.0	May-12	Deed	0.1	Sep-13
SignAll	1.5	Apr-16	Zemanta	1.4	Jun-08	FashionUP	0.8	Mar-15	Datamolino	-	Sep-13	Dragon Inside	0.1	Apr-13
Hand-in-Scan	1.5	Jan-16	Tisk Na Spletu	1.1	Nov-15	SmartDreamers	0.6	Sep-16				CaseTrak	0.1	Oct-13
HandInScan	1.3	Dec-15	Agrixi	1.0	Jul-16	Cyberfog	0.5	Apr-16				CaseTrak	0.0	Oct-12

CEE – FUNDING & ECOSYSTEM

Biggest success stories from the region



- Estonia - Skype, Transferwise, Grapcad
- Latvia - Bitfury, TWINO, infogram
- Lithuania - MailerLite, XtGem, TransferGo
- Poland - Estimote, UXPin
- Slovakia - ESET
- Hungary - Prezi, Ustream
- Romania - TwoTap, UberVU, Brainient
- Bulgaria - Flippis, Imagga
- Croatia - Farmeron, Rimac Auto
- Slovenia - Outfit 7, Celtra, Lyst
- Kosovo - solaborate.com, XIIIK, Puntoria
- Macedonia - UPlug, Fueloyal, Tesseract Interactive

A faint, light-colored map of the African continent is visible in the background, centered on the red slide.

The challenge?

Fragmented region of 20+ countries

CEE SUB-REGIONS

Baltics - Latvia, Lithuania, Estonia

Central - Czech Republic, Hungary, Poland, Slovakia

Eastern - Ukraine, Belarus

Southeast - Albania, Bulgaria, Bosnia and Herzegovina, Croatia,
Greece, Kosovo, Macedonia, Moldova, Montenegro, Romania,
Serbia, Slovenia

It is all on us

- People is still thinking way too tactical and short term
- Ability to think bigger and act bigger
- Many times not able to see a win / win
- The above makes collaboration among countries difficult
- King of small kingdom mentality
- Public funding not use as a leverage but as “free” money (not use to create a system that does not need public money)
- Lack of role models



BALTICS

BALTICS – OVERVIEW

	Estonia	Latvia	Lithuania
Maturity of startup ecosystem	high	medium	medium
Number of startups	460	300	300
Venture funding (2010-2016), EUR	348 M	143 M	148 M
Venture deals (2010-2016)	225	243	108

BALTICS – OVERVIEW

The screenshot shows the TransferWise website. At the top, there's a green 'TL' logo and a navigation bar with links for News, Video, Events, and Crunchbase. A prominent black button with white text says 'WATCH THEIR STORIES NOW'. Below this, a green banner for 'STARTUP BATTLEFIELD' is visible. The main content area features a large article titled 'Fintech unicorn TransferWise reaches profitability, planning 'new financial services''. The article is dated 'Posted yesterday by Steve O'Hear (@sohear)' and includes social media sharing icons. To the left of the article is a sidebar with 'Popular Posts' including 'CreditHero: Wants to help fix credit scores for those afraid to open bank', 'Truora develops passwordless access for Salesforce', 'Watch the last day of Design NY 2017 live right here', and 'Meet Cuba's first female entrepreneur at Disrupt New York'. Below the article title is a photo of a bus stop advertisement for TransferWise, featuring the text 'FY€K' and 'TRANSFERWISE IS CHANGING THE WAY YOU THINK ABOUT MONEY & TRANSACTIONS'. To the right of the photo is another 'WATCH THEIR STORIES NOW' button and a 'MAKERS' logo. At the bottom right, there's a 'Crunchbase' section with a 'TransferWise' entry showing 'FOUNDED 2011' and 'STATUS'.

Got a tip? [Let us know.](#) Follow Us [f](#) [t](#) [w](#) [i](#) [p](#) [i](#) [n](#) [s](#) [k](#)

News - Video - Events - Crunchbase [Message Us](#)

WATCH THEIR STORIES NOW >

STARTUP BATTLEFIELD Applications Now Open For Startup Battlefield At Design SF [Apply Now](#)

TransferWise
Europe
Popular Posts

Fintech unicorn TransferWise reaches profitability, planning 'new financial services'
Posted yesterday by [Steve O'Hear \(@sohear\)](#)

[f](#) [t](#) [w](#) [i](#) [p](#) [i](#) [n](#) [s](#) [k](#)

CreditHero: Wants to help fix credit scores for those afraid to open bank [2 days ago](#)

Truora: develops passwordless access for Salesforce [11 days ago](#)

Watch the last day of Design NY 2017 live right here: [16 hours ago](#)

Meet Cuba's first female entrepreneur at Disrupt New York [4 days ago](#)

What's more mythical than a unicorn? A unicorn that is profitable. Six years after launch,

WATCH THEIR STORIES NOW >
MAKERS

Crunchbase
TransferWise
FOUNDED 2011
STATUS



BALTICS – OVERVIEW

Prezi Announces Acquisition of Infogram

May 16, 2017 • PRNewswire • Computers and Software, Mergers and Acquisitions, Multimedia/Internet/Online Services

Prezi Announces Acquisition of Infogram

Visual Storytelling and Data Visualization Leaders Unite to Catapult the Future of Communications

infogr.am

PR Newswire

SAN FRANCISCO and REDA, Latvia, May 16, 2017

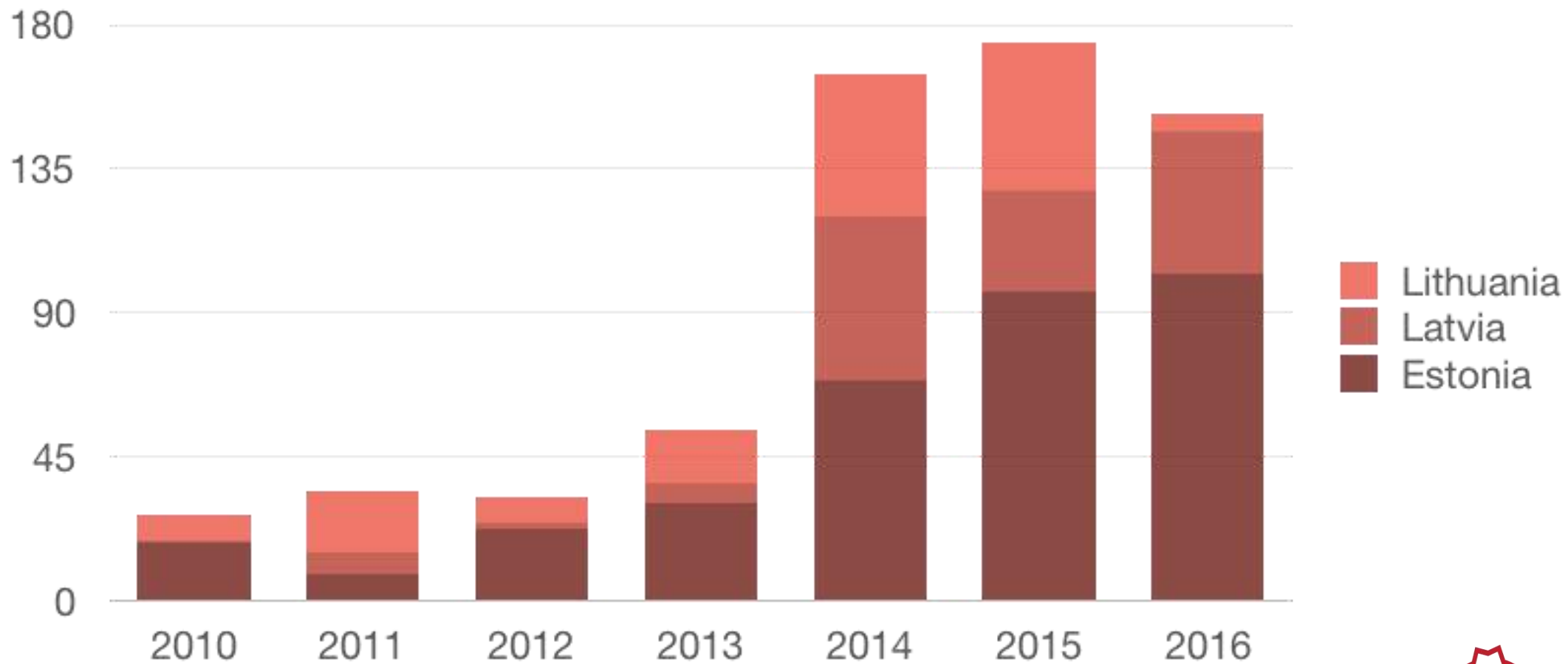
SAN FRANCISCO and REDA, Latvia, May 16, 2017 /PRNewswire/ – Prezi, the visual presentation platform that helps people connect more powerfully with their audiences and customers, today announced it has acquired Infogram, a leading, web-based data visualization company. Infogram specializes in charts and infographics for customers who need to quickly and effectively convey complex ideas. This is Prezi's first acquisition and financial terms of the transaction were not disclosed.



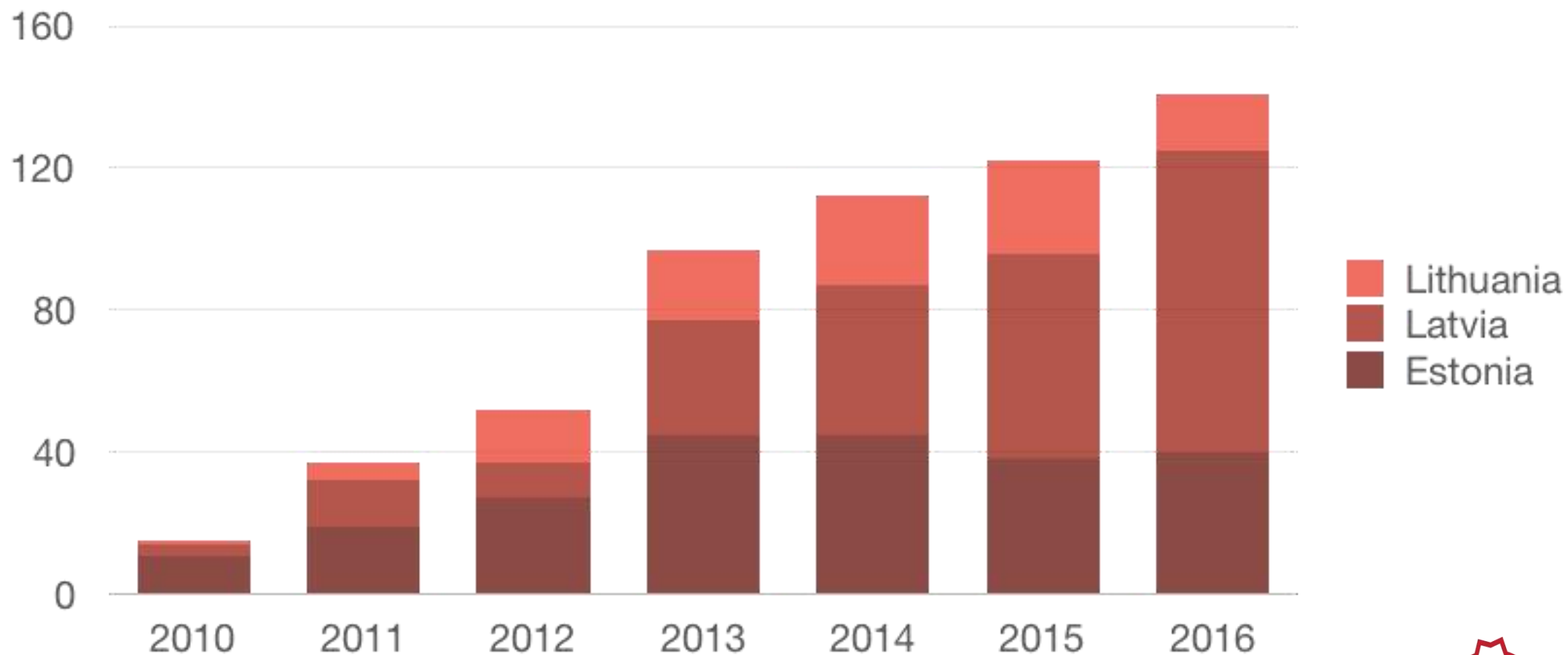
BALTICS – OVERVIEW

	Estonia	Latvia	Lithuania
Maturity of startup ecosystem	high	medium	medium
Number of startups	460	300	300
Venture funding (2010-2016), EUR	348 M	143 M	148 M
Venture deals (2010-2016)	225	243	108

BALTICS – FUNDING (M, EUR)



BALTICS – NUMBER OF DEALS



ESTONIA – EXITS

Company	Acquired by	Year	Amount
Skype	Ebay	2005	\$2.6B
Modesat	Xilinx	2012	undisclosed
GrabCad	Startasys	2014	\$100M
Fits.me	Rakuten	2015	undisclosed
Smart AD	MTG	2015	undisclosed
Vital Fields	Monsanto	2016	undisclosed

ESTONIA – FUNDING

Company	Funding Raised
Transferwise	\$116.4M
Skeleton Technologies	\$33.49M
Pipedrive	\$31.2M
Adcash	\$23.65M
Starship	\$17.2M
Transferwise	\$116.4M

LATVIA – EXITS

Company	Acquired by	Year	Amount
4finance	Oleg Boiko	2013	EUR 173M
Ask FM	Ask.com	2014	Undisclosed (est. \$50-100M)
CoBook	FullContact	2014	Undisclosed
Naco Technologies	Schaeffler group	2015	Undisclosed
Infogram	Prezi	2017	Undisclosed

LATVIA – FUNDING

Company	Funding Raised
BitFury	111M
AirDog	6,4M
CreamFinance	6,2M
Infogram	2,8M
Clusterpoint	2,8M

LITHUANIA – EXITS

Company	Acquired by	Year	Amount
GetJar	Sungy Mobile	2014	6.9M (31M raised)
YPlan	Time Out	2016	1.9M (31M raised)

LITHUANIA – FUNDING

Company	Funding Raised
Vinted	€49,3M
Vittamed	€9,3M
TRAFI	€6,2M
Transfergo	€6,0M
Brolis Semiconductors	€3,0M

BALTICS – INVESTORS

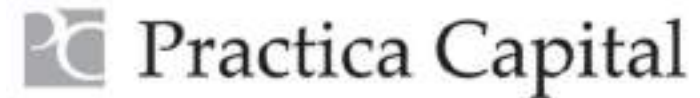
Accelerators



Angel networks



VCs



BALTICS – OVERVIEW

Estonia

Latvia

Lithuania

Pros

- High digitalization
- Ease of doing business
- Strong community

- Infrastructure and geographic location
- Tax incentives
- Technical talent
- Fast at copying Estonia role model

- Financial regulation (fintech)
- Tax incentives
- Technical talent

Cons

- Lack of skilled engineers
- High employee taxes
- Poor flight connections

- Fragmented incentives and stakeholders
- Enterprise registry
- E-platforms and digital access
- Startup Visa (i.p.)

- Wanted to do it alone and in isolation (only WE is good enough)
- Fragmented incentives and stakeholders
- Enterprise registry
- E-platforms and digital access
- Startup Visa (i.p.)



Cristobal Alonso

CEO @ Startup Wise Guys

**“IMPOSSIBLE IS NOTHING!
CRISTOBAL LIKES TO MAKE
BIG DREAMS REALITY”**