VTT Startup Report 2026

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VTT

Introduction

The Technical Research Centre of Finland Ltd (**VTT**) has long been a leader in scientific and technological innovation, playing a key role in spinning off high-tech startups that turn research into economic value.

In partnership with **the Finnish Startup Community (FSC)**, this report examines VTT startups, analyzing their:

- financial performance
- funding sources
- economic impact
- employee characteristics (*new from last year!*)

FSC conducted a similar study last year, and this study builds on that work. You can find that study here

Using financial data and investment insights, we assess how these startups drive growth and strengthen Finland's innovation ecosystem. Science-based entrepreneurship is vital for Finland's economy. These companies not only create jobs and revenue but also foster innovation and skills, generating spillover benefits across industries. This report continues the work initiated by the Finnish Startup Community in a similar report published last year

VTT has been a long-time partner of the Finnish Startup Community, and we are proud to update the VTT startup report from last year. The future of VTT startups looks bright, and recent highlights from companies such as IQM and Solar Foods are clear examples!

Amir Hassan, Economist at the Finnish Startup Community

Executive Summary

VTT startups represent a growing and increasingly impactful part of Finland's deep-tech innovation ecosystem. Since 2008**, a total of 58 public startups have been created**, with **34 companies active during the 2020s**. These companies collectively **generated approximately €50 million in revenue in 2024 with average annual growth rate of 8% since 2015.**

Beyond financial performance**, VTT startups are also major employers specially in high-skilled employment**. **In 2024, these companies employed more than 870 people. Median company employment has grown by 222% since 2015** indicating that many startups are successfully scaling their operations. The workforce is also highly educated, with **29% of employees holding PhD-level qualifications. Median earnings of approximately €61 000** further underlines the high-value, knowledge-intensive nature of these jobs.

Since 2008, VTT startups have raised more than €1.59 billion in funding. **2025 alone was record-breaking year with €506 million raised**. In parallel, **solely in 2024 VTT startups invested €63 million in research and development** to support the next steps of VTT startups.

Overall, VTT startups are evolving from early-stage research ventures into a growing group of technology-driven companies that generate revenue, attract substantial investment, and create highly skilled employment. **Their continued development highlights the role of research commercialization in strengthening Finland's innovation capacity and long-term economic growth.**

VTT startups in short

Output

- **58 total startups**
- **34 active during 2020s**
- **+49€m revenue** in 2024
- **8% revenue CAGR** since 2015

Funding

- **~1.6€bn total funding** since 2008
- **+500m€ funding raised** in 2025
- **+63€m R&D investments** in 2024

People

- **+870 employees** in 2024
- **Median employee count +222%** since 2015
- **61€k median pre-tax earnings** in 2022
- **29% share PhD-level researchers** in 2024

Data description

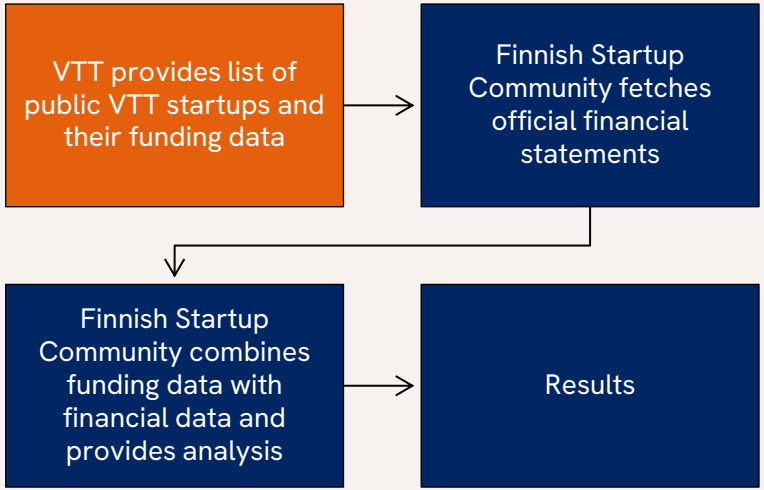
VTT provided a list of startup companies and their funding data that have emerged from its research projects “Startup companies”

Based on this list, the Finnish Startup Community (FSC) analyzed financial statements and funding data to assess the performance of these startups. These startups are, on selected slides, compared to other startups in Finland to provide more meaningful context.

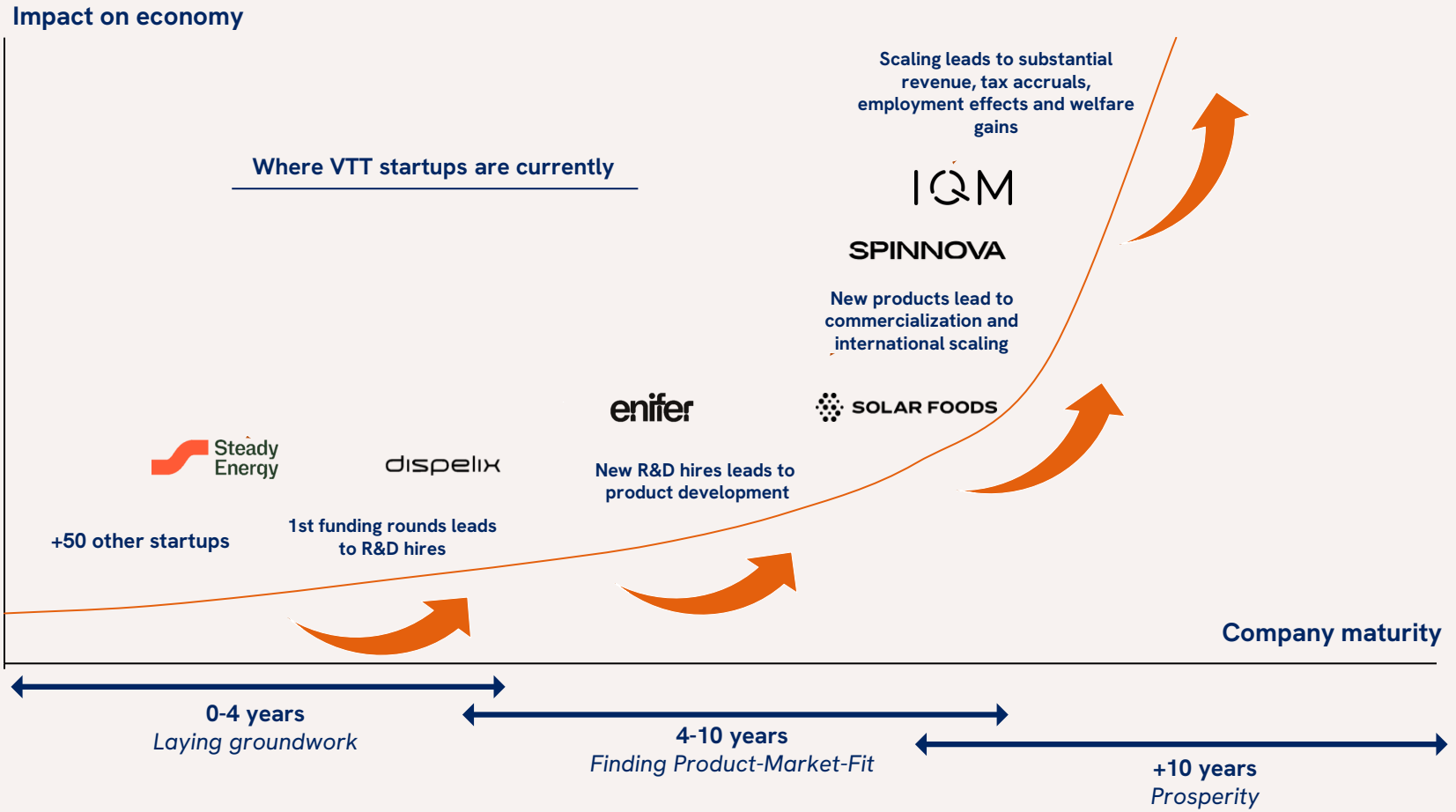
In addition to financial and funding data, FSC links the companies using linked administrative data from Statistics Finland. Using these administrative registers, we can identify and analyze employees working in VTT startups.

The list of startups provided from VTT includes only companies that are publicly VTT startups.

Data process



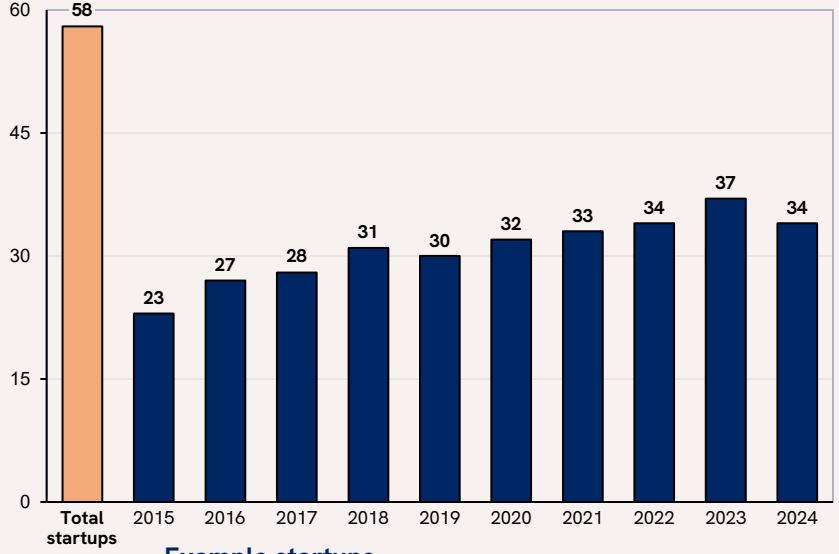
Typical VTT startup is still in early stage but few startups are starting to take off



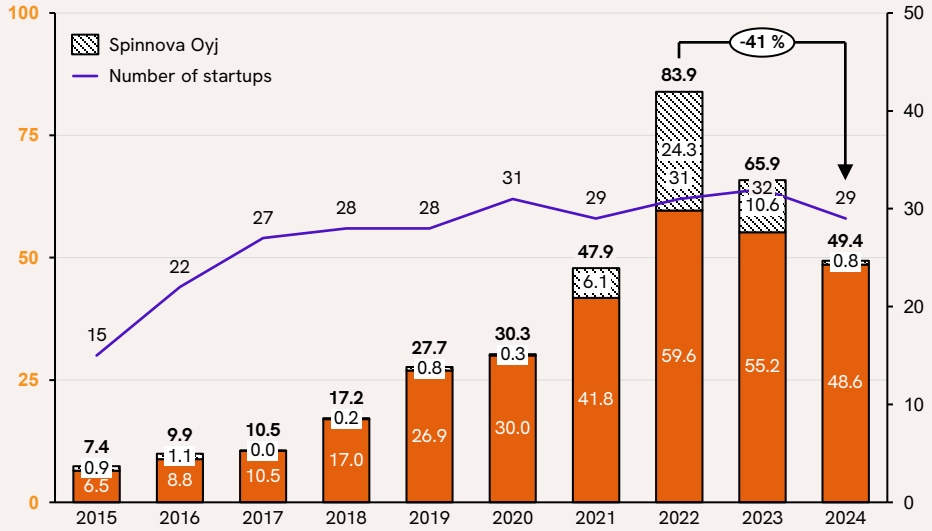
VTT has spun off 58 companies: Of these, around 60% are active in the 2020s

Number of active VTT startups has been increasing except in 2024. Spinnova accounts for ~70% of the revenue decrease in recent years. The annual growth rate of revenue has been 8% since 2015. Five-year survival rate has been 87%[2]

Number of active VTT startups[1]



Revenue of VTT startups, m€ (lhs)
Startups with reported revenue, # of startups (rhs)



Example startups

IQM · Steady Energy · enifer · ONEGO bio · HYPERMINE

[1] For a startup to be considered active, they must have reported at least one major financial figure in their financial statement for that year
[2] The five-year survival rate is the share of companies first observed as active during 2011-2019 that were still active five years later.

Data: Financial statements

Median revenue has increased 116% since 2020 to €700k

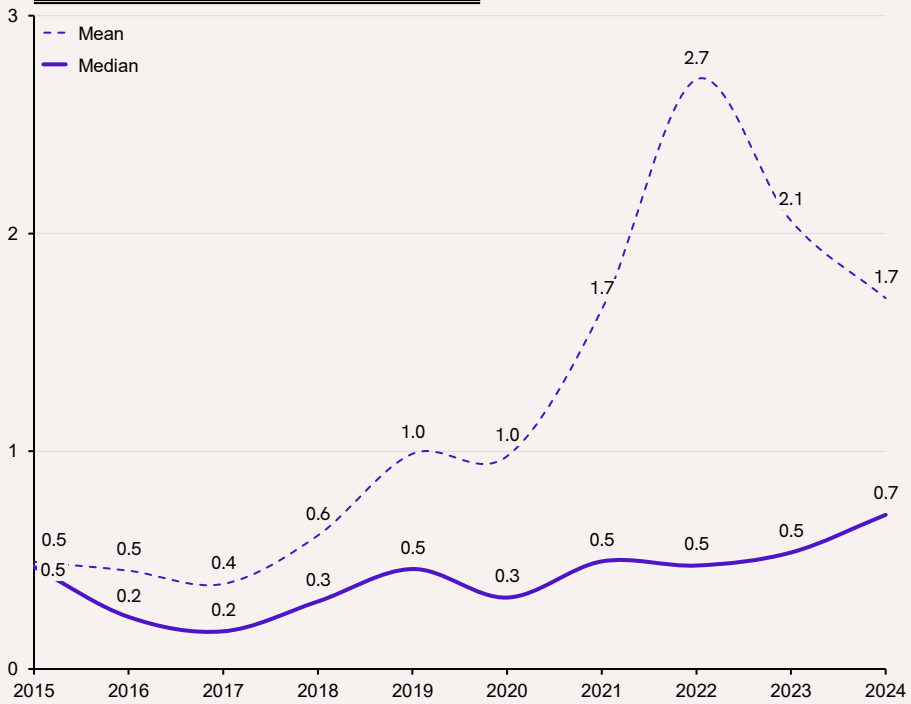
Spinnova's revenue decline of 97% from 2022 explains the decrease in mean revenue

Median revenue increasing during the 2020s is a good signal that the typical VTT startup is gaining traction

Given the early-stage nature of these startups, stronger growth in average revenue can be expected over the next five years

This analysis excludes companies that did not report any revenue figures

Mean and median revenue by active VTT startups, m€

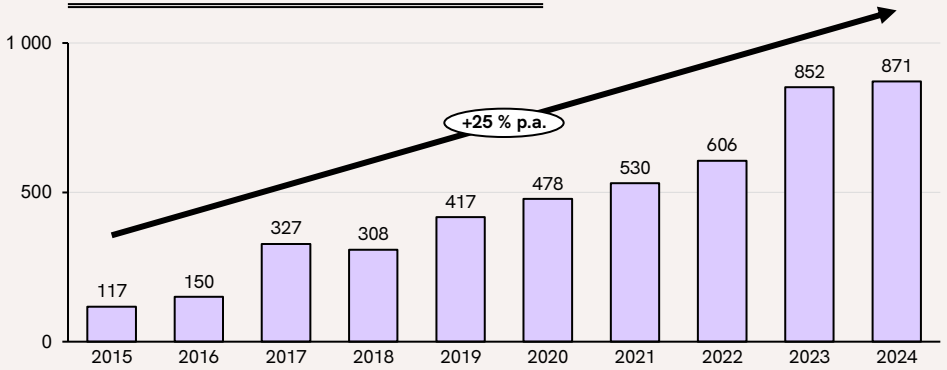


Mean employee count has increased by 2.9x since 2015

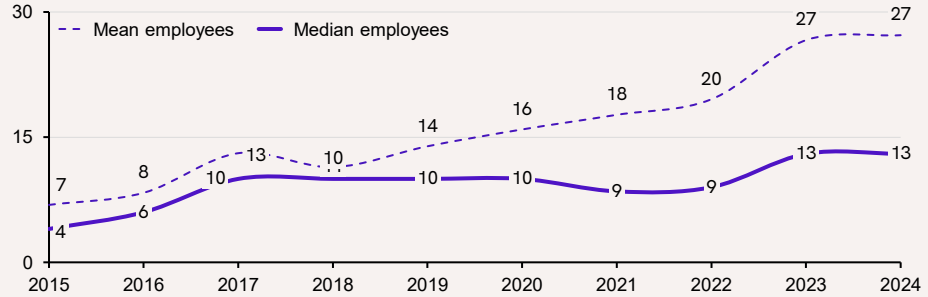
The increase in mean and median employee sizes means that total VTT startup employment numbers isn't explained only by increase in VTT startups

While the annual growth rate of revenue was only 8%, the employee count annual growth rate has been over three times higher at 25%

Number of employees by VTT startups, employee count



Mean and median employees by active VTT startups, employee count

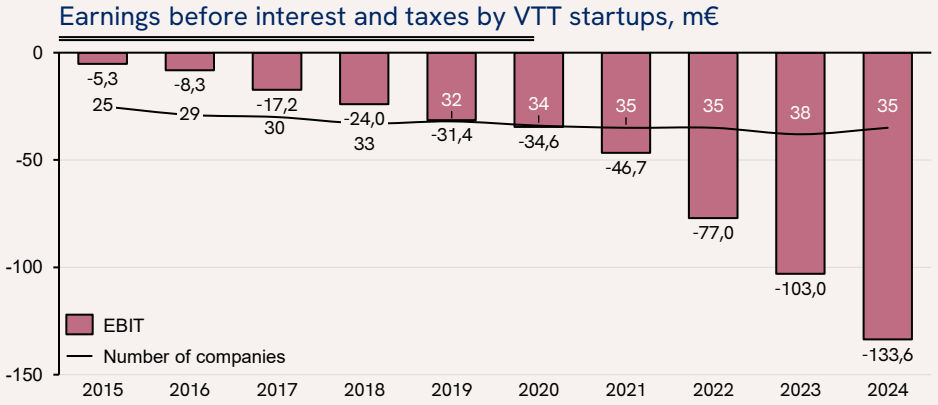


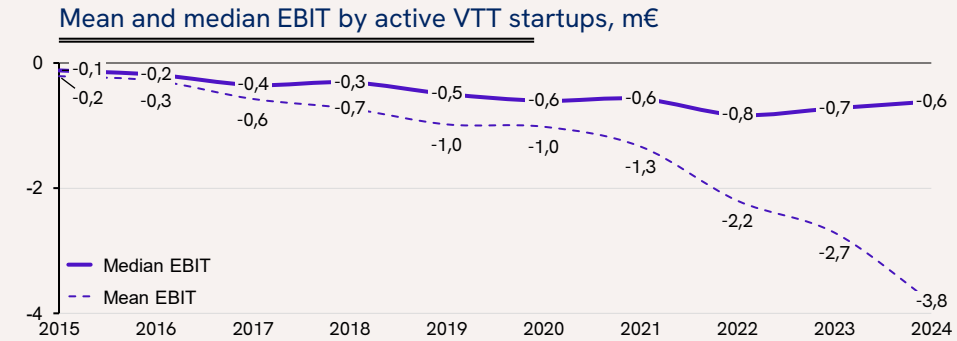
As expected VTT startups are reinvesting into growth which is why they appear nonprofitable

Overall, as VTT startups have not reached maturity yet, they are not profitable and keep their R&D expenses high

The decline in mean EBIT likely reflects higher reinvestment and scaling costs among the fastest-growing companies rather than deteriorating operating performance

Notably, while it's known that IQM is growing rapidly, their continuous investments reduce their EBIT figures from -14m€ in 2023 to -43m€ in 2024.

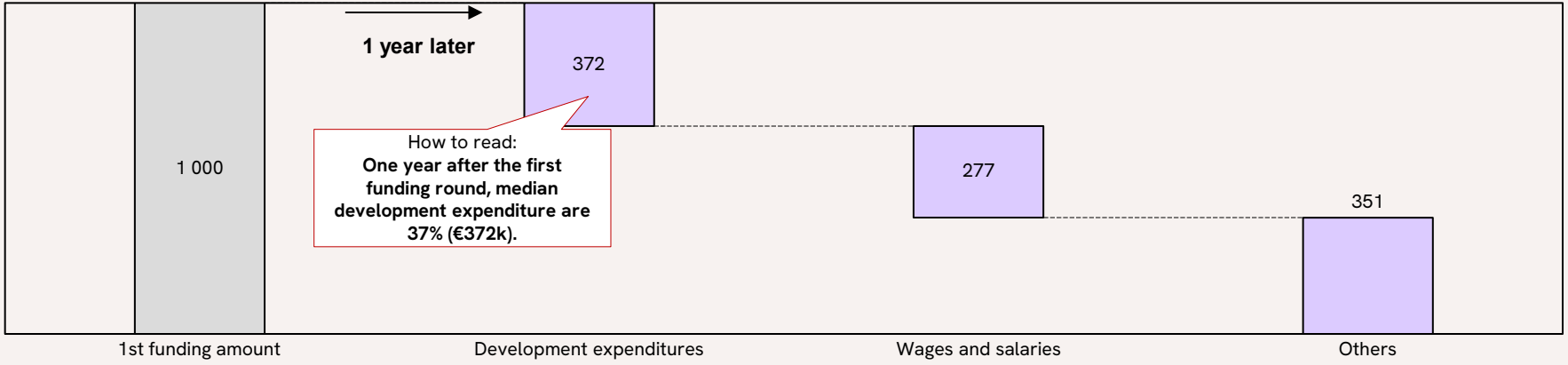




A majority of funds raised in first round appears to go towards R&D, wages and salaries

Median 1st funding round size for VTT startups is €1m.

Median 1st funding round and distribution of expenses 1 year after, €k



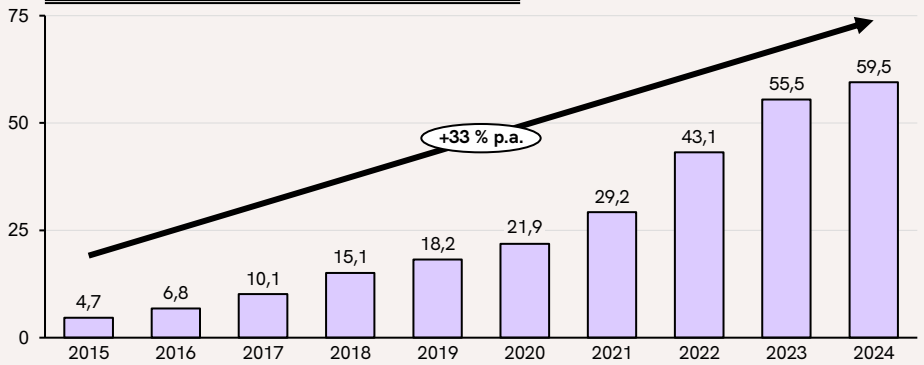
The calculation is done by looking at the financial statements of a VTT startup one year after they have raised their 1st funding round.
The analysis is only indicative and timing mismatches between announced funding rounds, startups' access to the raised capital, and other factors might affect this analysis.

Growth of wages and salaries paid by VTT startups has been very strong

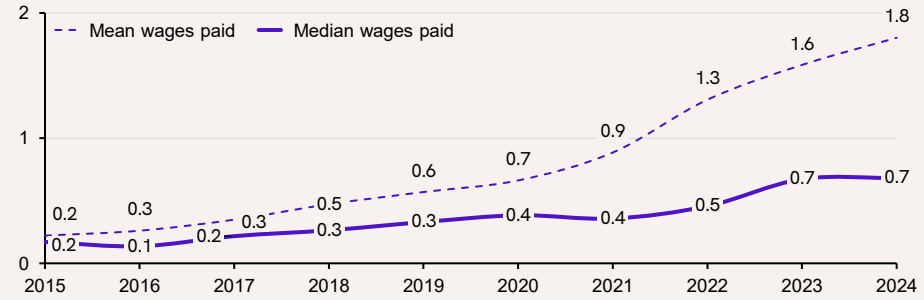
VTT startups paid almost 60m€ in wages and salaries in 2024. Employee expenses which include social security expenses were 20% higher at 71m€.

Mean wage and salary growth has been outpacing median figures, meaning the strongest companies are both hiring more and paying their existing employees more than the average startup is able to.

Total wages and salaries paid by VTT startups, m€



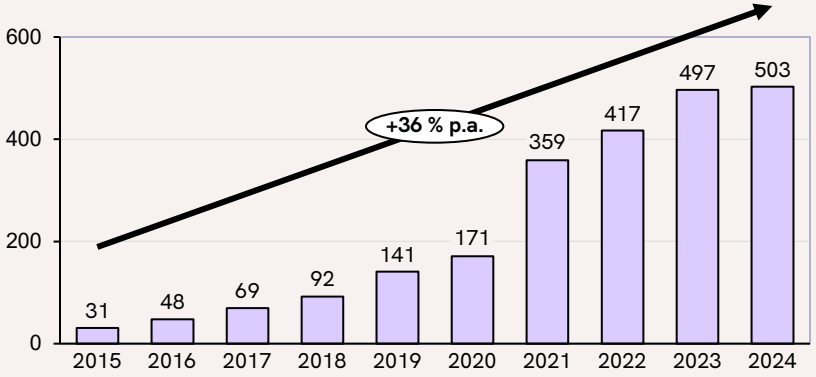
Mean and median wages and salaries paid by active VTT startups, m€



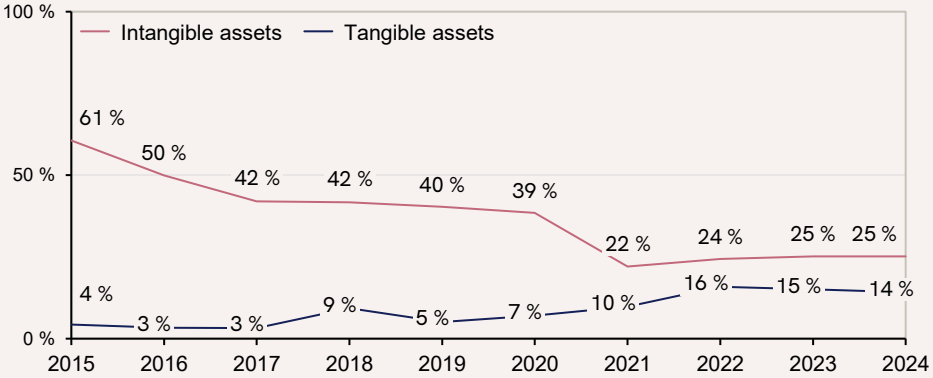
Total assets have doubled roughly every three years since 2015

One potential explanation for the decrease in intangible assets is that early-stage startups are often R&D-heavy and as the companies mature, they invest more in tangible assets such as equipment, machinery, laboratories and other tangible assets

Total assets of VTT startup companies, m€



(In)Tangible share of total assets, %



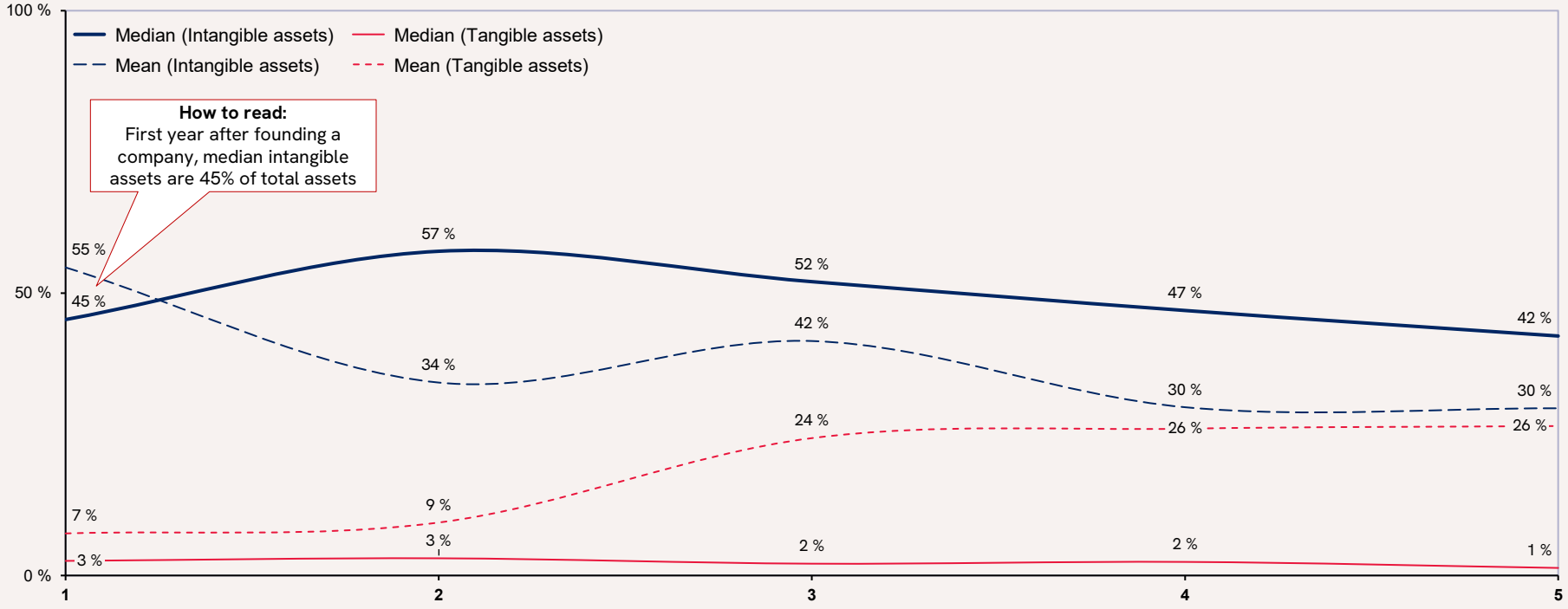
Five largest startups by total assets in 2024

Company	Total assets, m€	Intangible assets, m€	Tangible assets, m€
IQM	155	43	42
SPINNOVA	84	9	2
SOLAR FOODS	47	8	14
ONEGO	34	10	1
enifer	23	1	5

On average, tangible assets cover a quarter of total assets five years after company was founded

Intangible assets are around half of total assets one year after startup has been founded but drop as the company matures

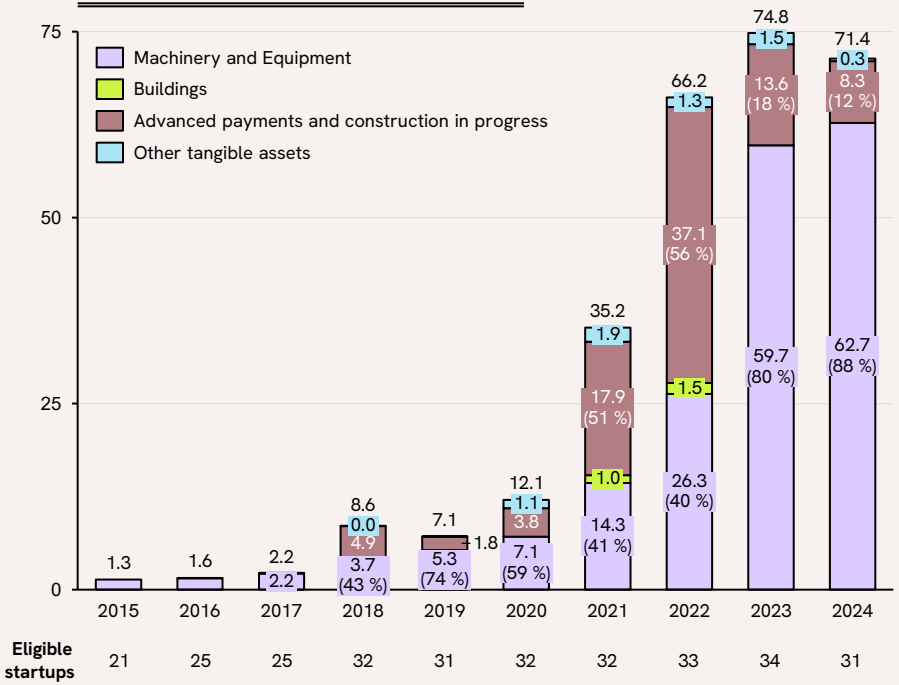
(In)tangible share of total assets, N years after establishment



The majority decrease from 2023 is due to Solar Foods' 5m decrease in machinery and equipment

The decrease is masked by IQM's asset transfer from advanced payments and construction in progress to machinery and equipment

Tangible asset by VTT startups by asset type, m€



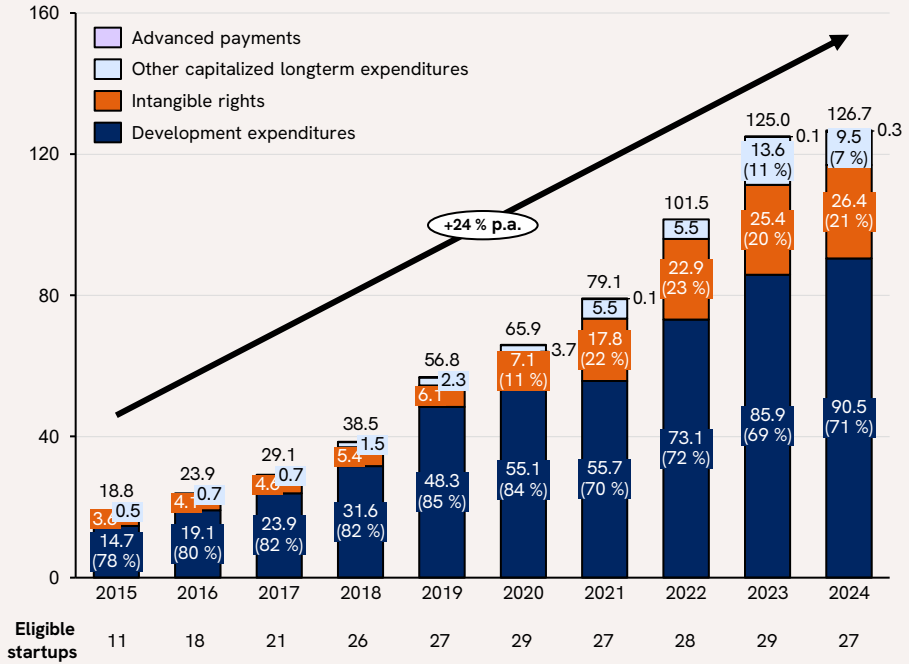
IQM and Solar Foods explain the large jump from 2020 to 2023

Excluding IQM and Solar Foods, the growth in tangible assets has been modest as these two account for 80% of total 2024 tangible assets

Intuitively, machinery and equipment share of total assets has been increasing as VTT startups have been maturing

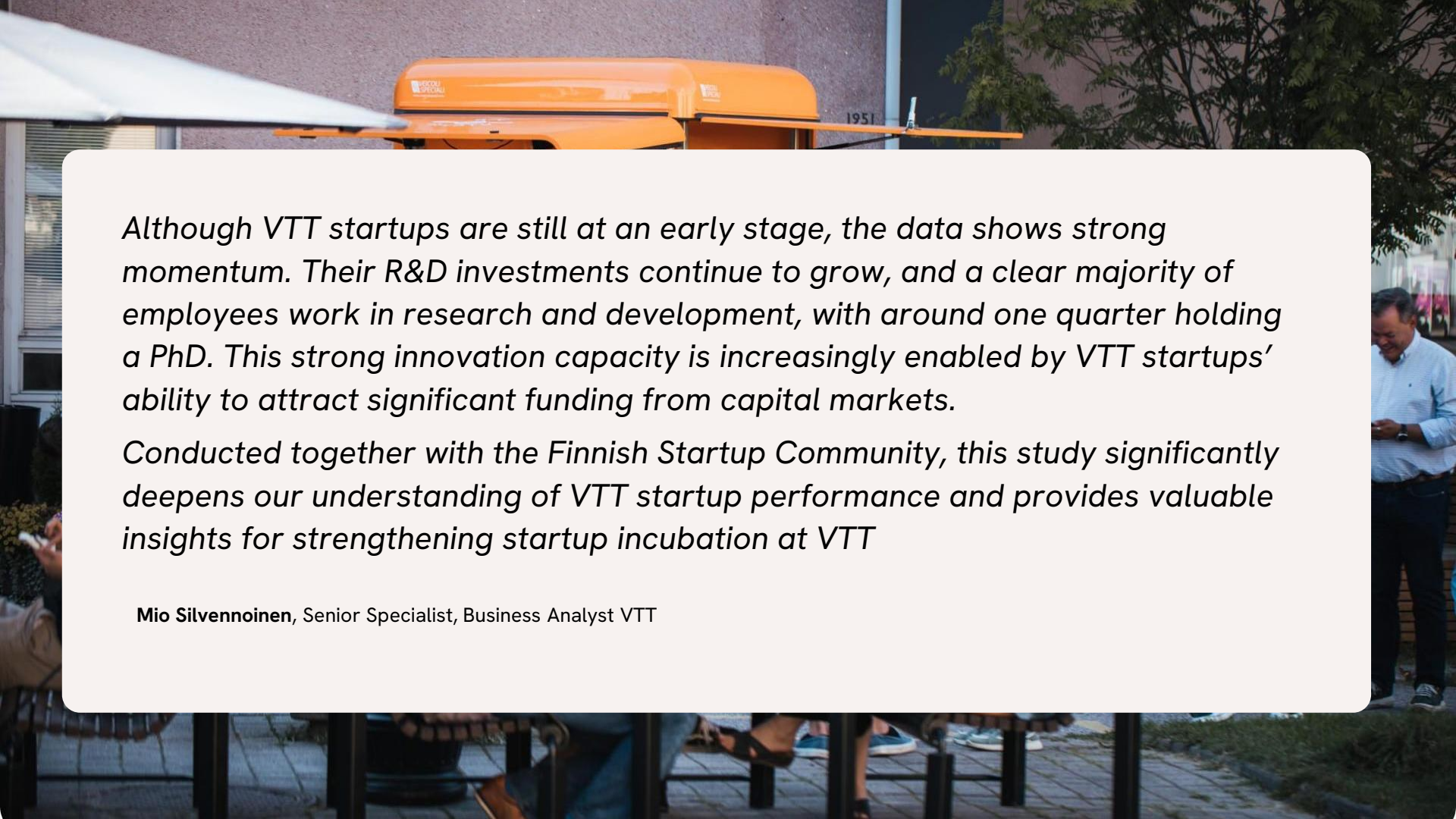
The growth in total intangible assets has been fairly linear since 2015

Intangible asset by VTT startups by asset type, m€



While in absolute terms R&D expenses have been growing the most, their relative share has been decreasing as intangible rights cover around 20% of intangible assets

The growth in intangible assets has stagnated in 2024 and the lack of growth is not explained by financial data availability issues



Although VTT startups are still at an early stage, the data shows strong momentum. Their R&D investments continue to grow, and a clear majority of employees work in research and development, with around one quarter holding a PhD. This strong innovation capacity is increasingly enabled by VTT startups' ability to attract significant funding from capital markets.

Conducted together with the Finnish Startup Community, this study significantly deepens our understanding of VTT startup performance and provides valuable insights for strengthening startup incubation at VTT

Mio Silvennoinen, Senior Specialist, Business Analyst VTT

Cohort 2019 onwards

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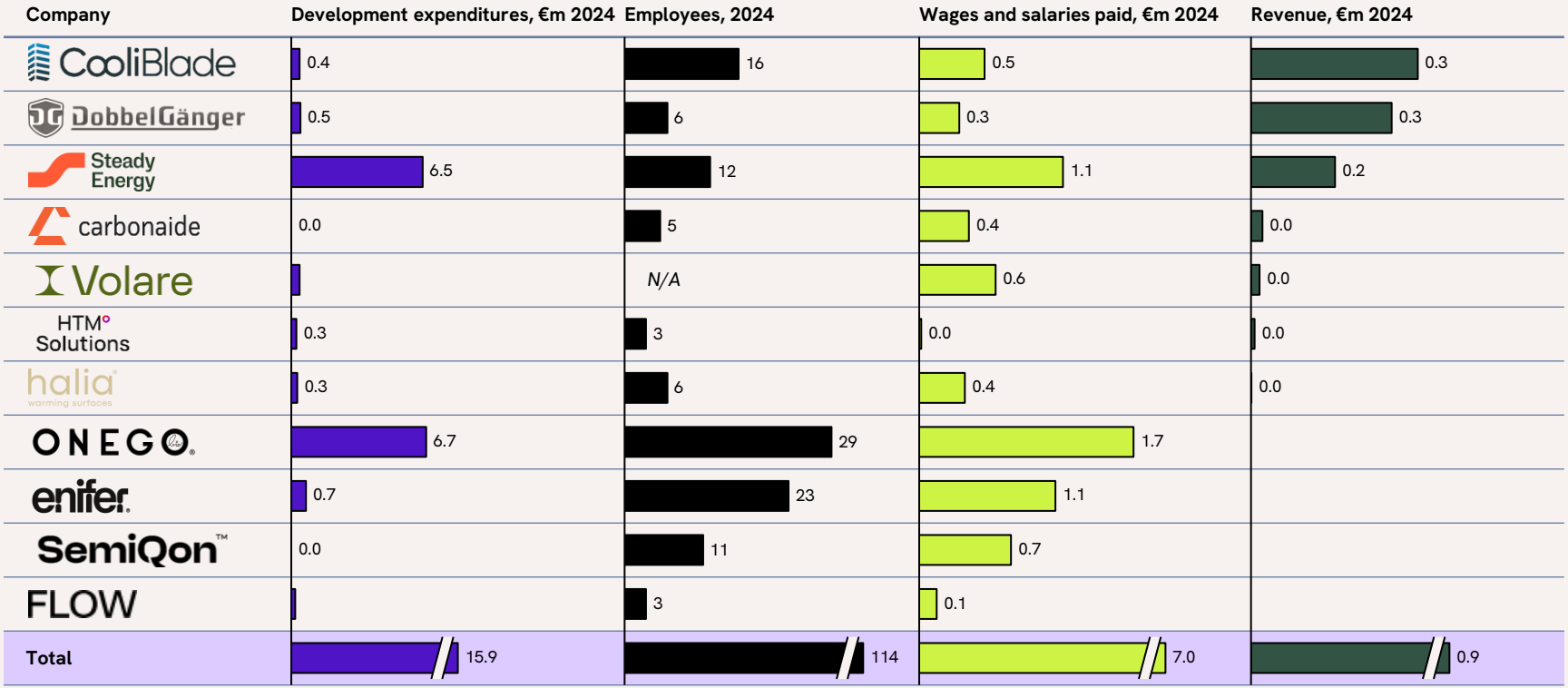
VTT LaunchPad alumni startups founded in 2019 or later invested €16m in R&D in 2024 and employed 114 people

A third of the startups were in pre-revenue phase and thus did not report any revenue figures in 2024



Funding

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Since 2008 the VTT startups have raised around 1.6bn Euros

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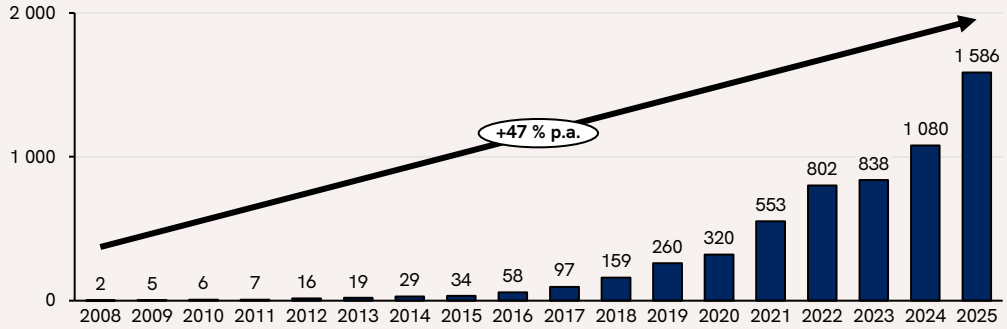
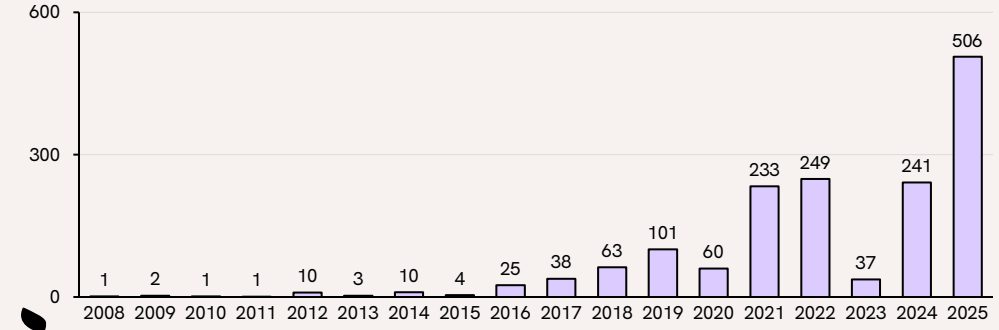
Cumulative funding raised by VTT startups, m€



Funding raised by VTT startups, m€ per year



2025 was a record-breaking year for VTT startups with multiple large deals such as

- IQM (320 m€),
- TactoTek (62 m€)
- Steady Energy (32 m€)
- Volare (26 m€)
- Solar Foods (25 m€)

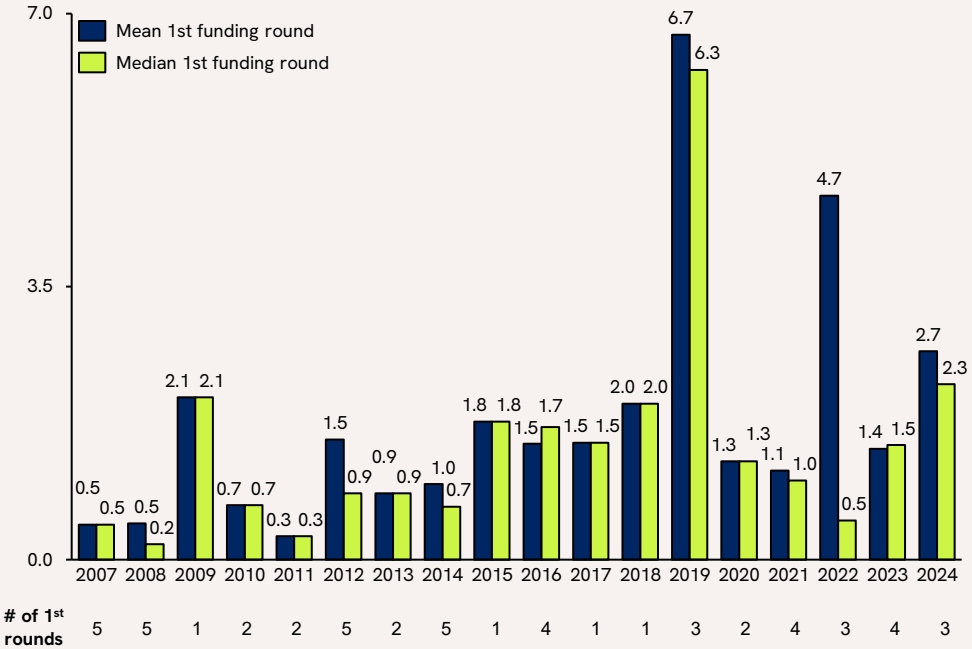
It is good to remember that the annual total funding amount is usually dominated by a few large rounds, which is why there is large variance between years

The total funding consists of direct venture capital investments, crowdfunding, grants, loans and IPOs.

Data: Pitchbook

On average, there have been three 1st funding rounds per year

Mean and median first round size by active VTT startups by year, m€



In 2019, the large first funding rounds were

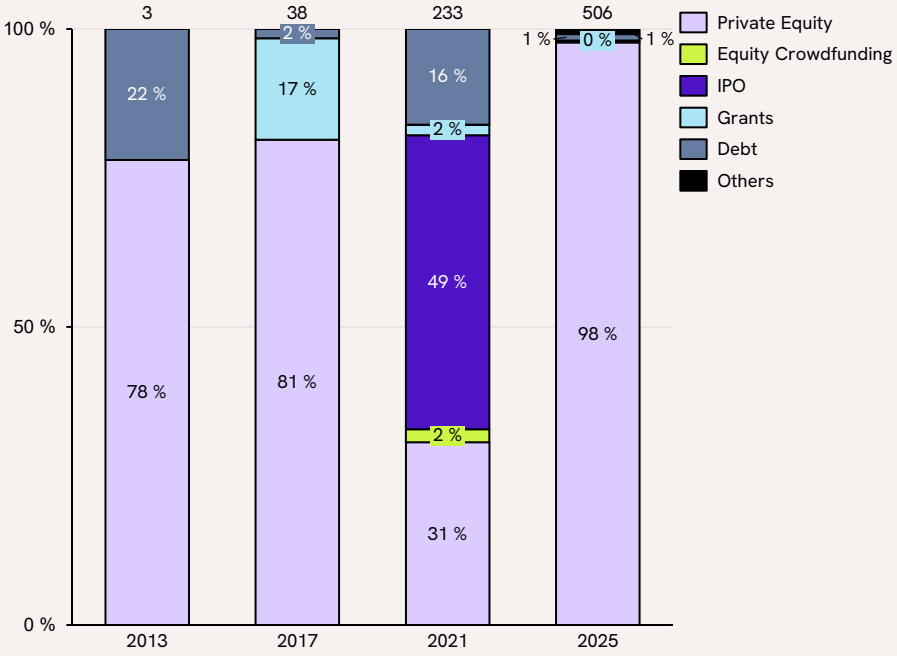
- IQM (11.3 m€),
- Infinited Fiber Company (6.3 m€)
- TimeGate instruments (2.6 m€)

However, the largest first funding round came from Onego Bio at whopping 13.2m€ in 2022

Data: Pitchbook

Private equity dominates VTT startup financing

Distribution of funding by VTT startups by type, selected years



Private equity is the structural backbone of funding for VTT startups indicating strong reliance on venture investors for scaling

The funding landscape appears highly sensitive to capital market cycles, as seen in the sharp shift between 2021 and 2025

Debt finance disappearing as a funding option for VTT startups is explained most likely by the staggering absolute growth of funding for VTT startups.

Data: Pitchbook

Research and Development

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VTT startups currently represent approximately 1 percent of total business sector R&D in Finland. However, the share is increasing rapidly

Youssef Zad, Chief Economist at the Finnish Startup Community

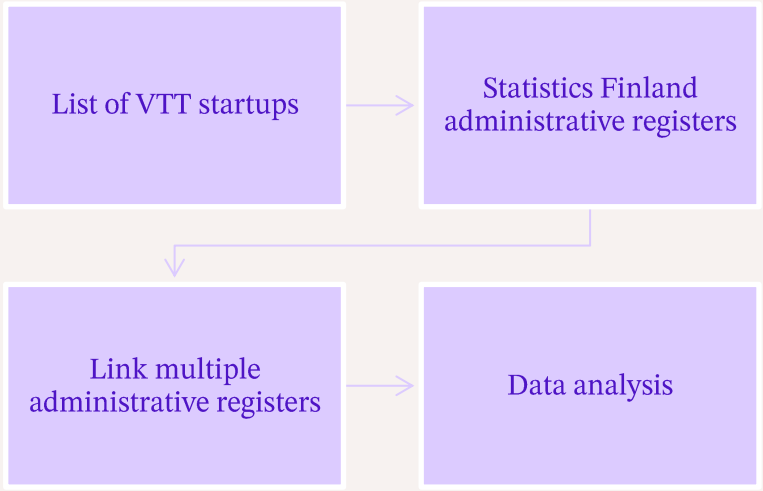
Analyzing VTT startups using linked administrative data

For the first time, a collaboration between VTT and the Finnish Startup Community enables the analysis of the economic impact of VTT startup companies using linked administrative data from Statistics Finland.

These data allow us to track firms and their employees over time and combine multiple registers on income, employment, education, and firm characteristics.

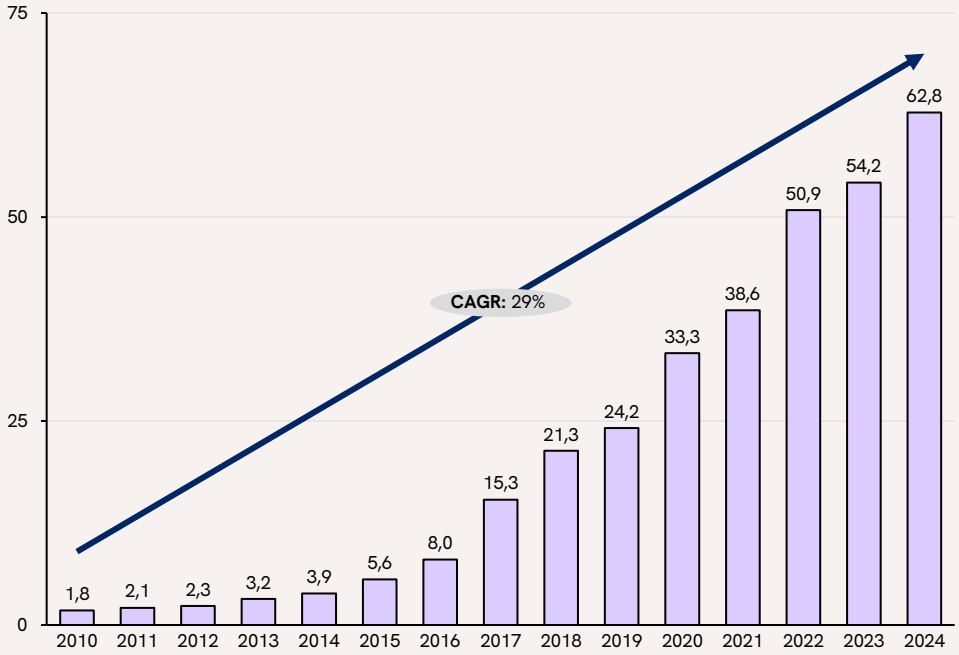
In the administrative datasets, both firms and individuals are assigned pseudonymized identification numbers. Only Statistics Finland holds the keys linking these IDs to actual company and personal identification numbers. These identifiers allow us to link multiple registers. For example, firm-level financial statement data can be combined with employment records to identify which individuals work in startup firms or VTT startups.

In some slides we compare VTT startups to other deeptech firms in Finland and other startups.



VTT startups invested €63 million in R&D in 2024

Yearly R&D investments in VTT startups, m€



VTT startups are research-based companies, so high R&D intensity is a natural part of their growth path. Using register data from Statistics Finland, we can measure this precisely and show that their R&D investments have grown rapidly, with an average annual growth rate of 29 percent.

In absolute terms, the R&D volumes of VTT startups are still modest. Total business sector R&D in Finland exceeded €6 billion in 2024, and VTT startups accounted for roughly one percent.

Despite their small current share, the rapid growth rate suggests that VTT startups could become a much more significant contributor to business R&D in the coming years.

Even though we have seen a drop in revenue between 2022 and 2024, the R&D investments are still increasing.

VTT startups employed 450 researchers, of whom 180 had a PhD

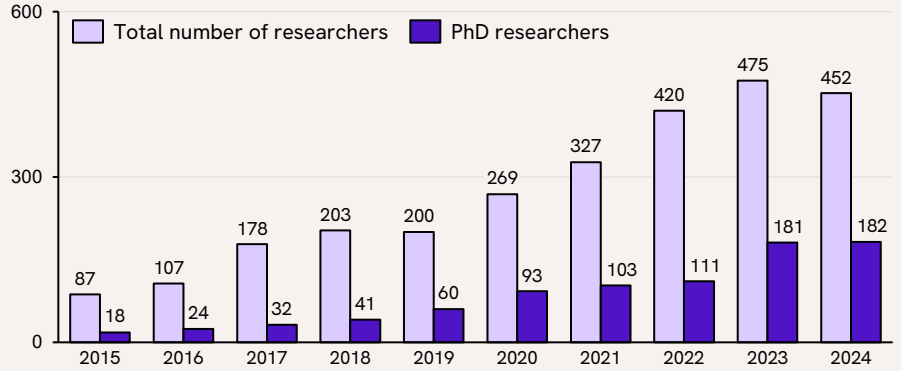
Research-intensive companies are built by combining top talent with strong research environments. In 2024, VTT startups employed 452 researchers, of whom 182 held a PhD.

This represents a substantial concentration of research talent. With total employment of around 870 people, more than half of the workforce in VTT startups was engaged in research and development activities.

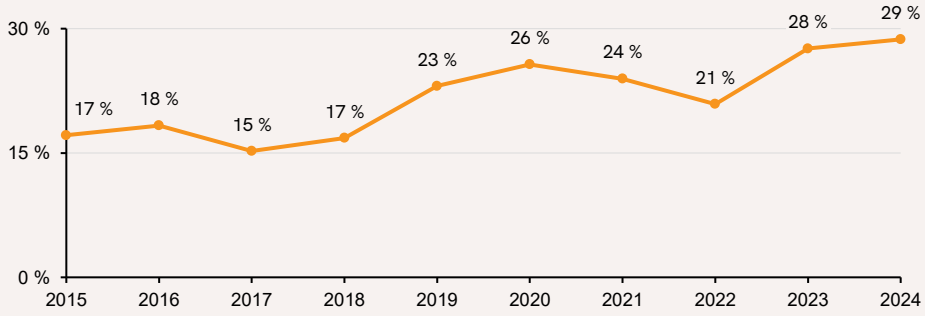
While the total number of researchers declined slightly between 2023 and 2024, the composition of research staff continued to shift towards higher educational levels.

The share of PhD-level researchers has increased steadily since 2015, reaching approximately 29 percent of all researchers in VTT startups by 2024.

Employees in research and development roles in VTT startups



Share of PhD-level researchers, %



VTT startups are heavily focused on research with high R&D-intensity

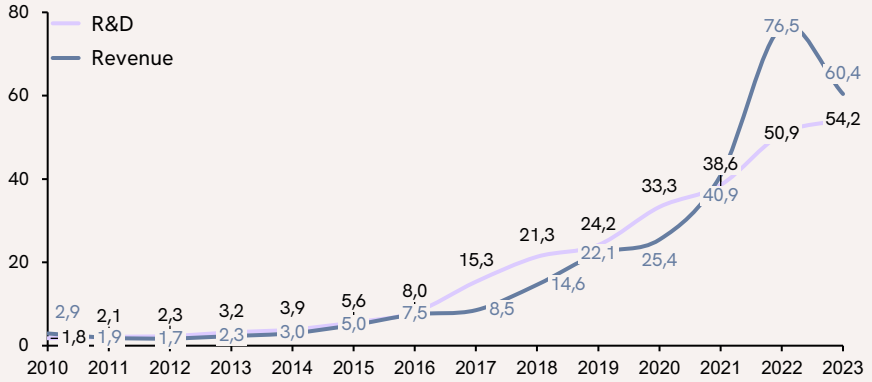
VTT startups are highly research-intensive firms. Among companies observed in both the R&D survey and firm-level datasets, R&D spending has on average exceeded revenue over the past decade.

In 2023, these VTT startups generated around €60 million in revenue while investing approximately €54 million in R&D, corresponding to an R&D intensity of nearly 90 percent.

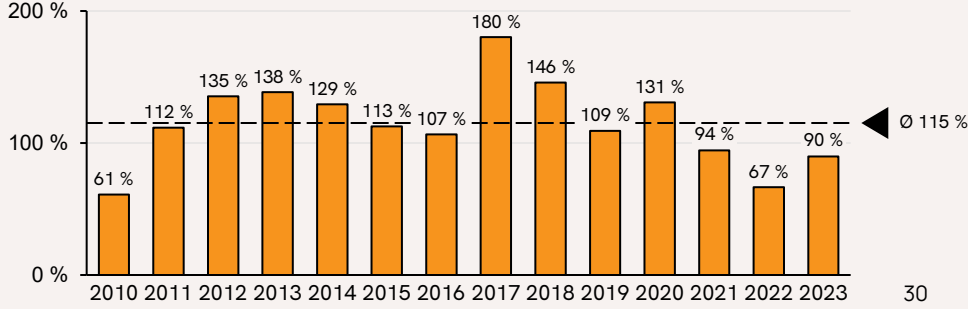
Across the full period, the average R&D intensity was 115 percent, meaning that VTT startups invested more in R&D than they generated in sales. This underlines the exceptionally research-driven nature of these firms.

Data note: *The analysis is restricted to firms observed in both Statistics Finland's R&D survey and firm-level register datasets.*

R&D investments and revenue, m€



R&D-intensity, % (R&D/Revenue)



Nearly two thirds of VTT startup employees worked in R&D roles in 2023

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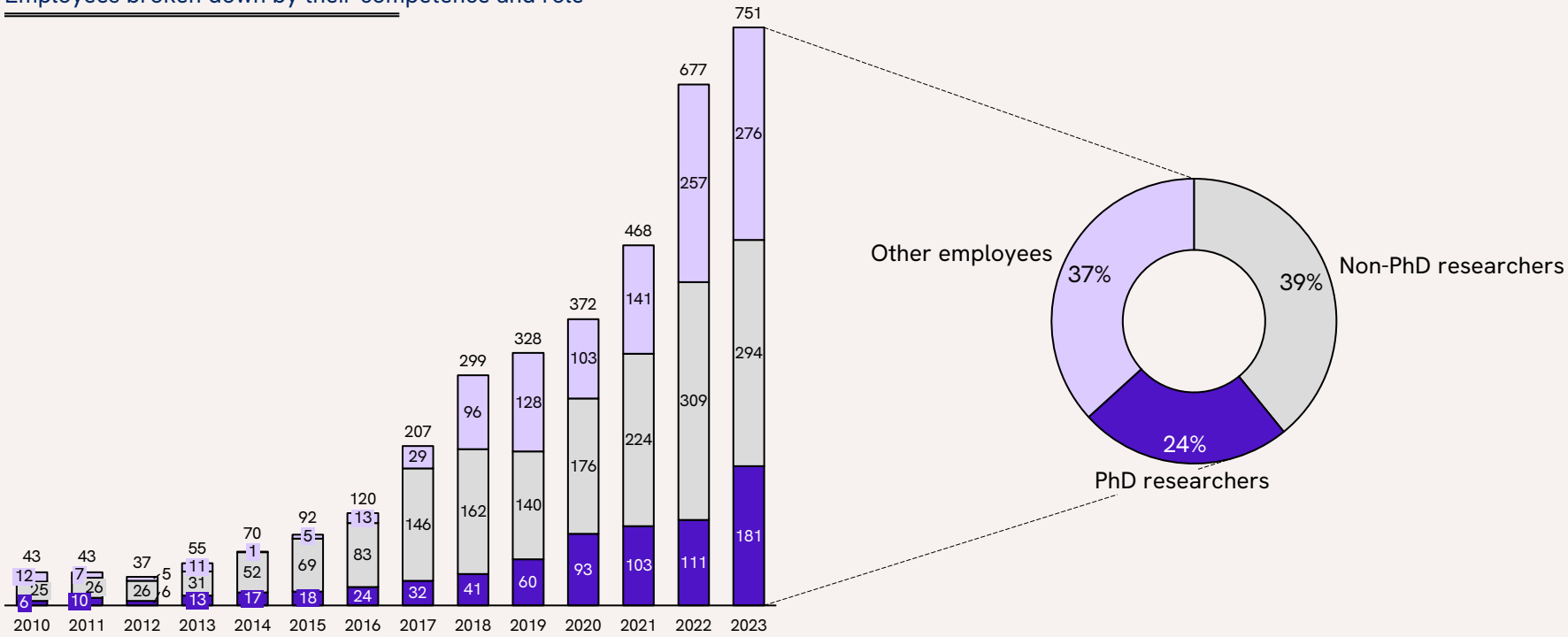
Employees broken down by their competence and role



Employer-employee data

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Administrative data enables detailed analysis of VTT startup employees

Using the list of startups and Statistics Finland's employment register (FOLK employment), we can identify which individuals have had an employment relationship with a startup company in a given year

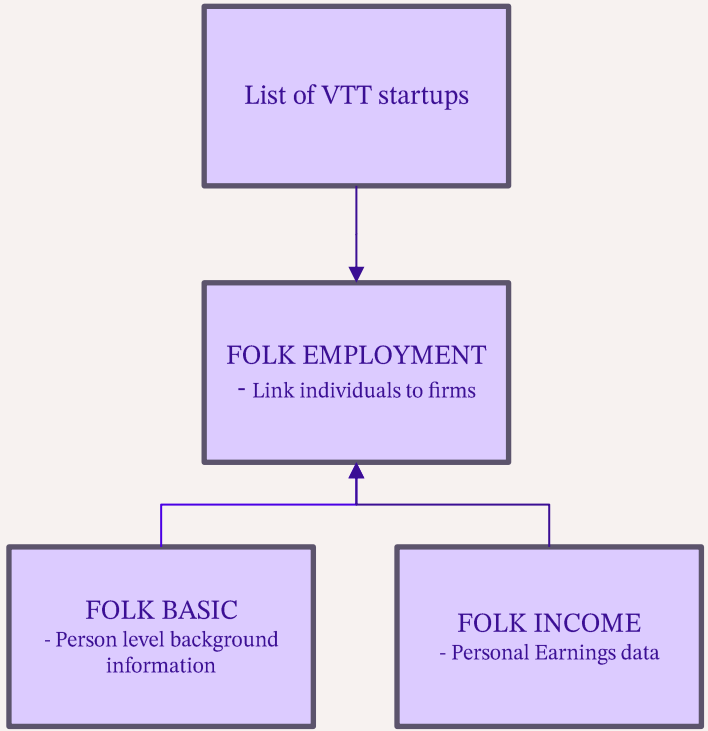
The employment module contains information on individuals' employment relationships, including both the employment during the last week of the year (TVM) and the longest employment relationship during the year (ATV). The data are available from 1987 onwards

The dataset includes the business IDs of employers. By linking these IDs with the companies identified in the Statistics Finland enterprise register, we can identify employees working in startup firms and VTT startups

Once employees are identified, we link them to additional Statistics Finland registers:

- FOLK Basic – individual background characteristics (e.g. education, gender, nationality)
- FOLK Income – detailed information on personal earnings and income components

This linked dataset allows us to analyze the characteristics and earnings of employees working in VTT startups



VTT startups differ not only in employees but also in firm characteristics

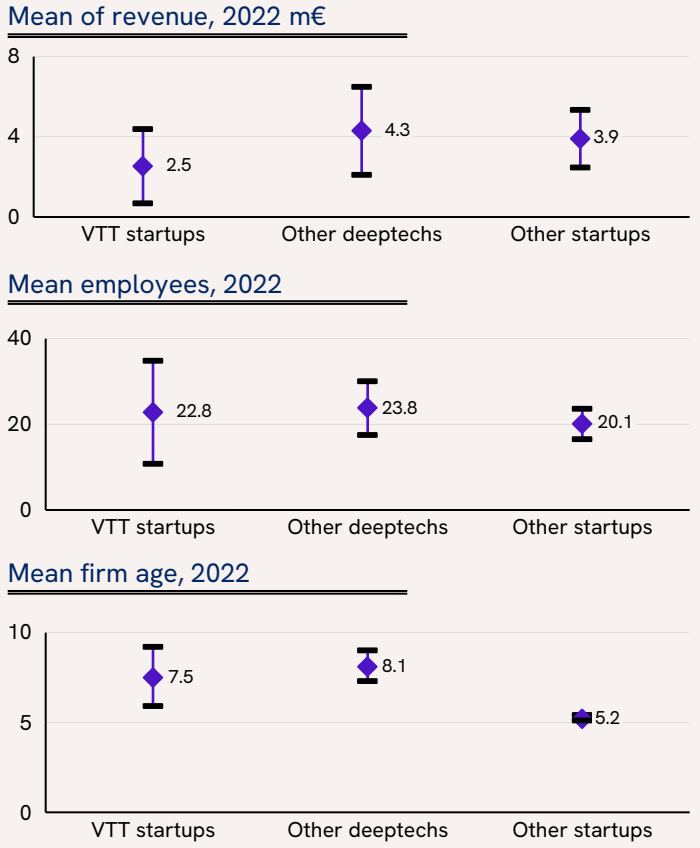
In terms of revenue, VTT startups are smaller on average than other startups and other deeptech firms. Other deeptech firms generate almost twice as much revenue as VTT startups

However, differences in employment are small. On average, VTT startups employ roughly the same number of workers as other startups and even slightly more than some startup groups

VTT startups are also older than other startups, which suggests that these firms may take longer to scale revenues despite employing a similar number of workers

Taken together, these results suggest that VTT startups may be more research-intensive and scale revenues more slowly than other startups

This analysis excludes companies that did not report any revenue figures

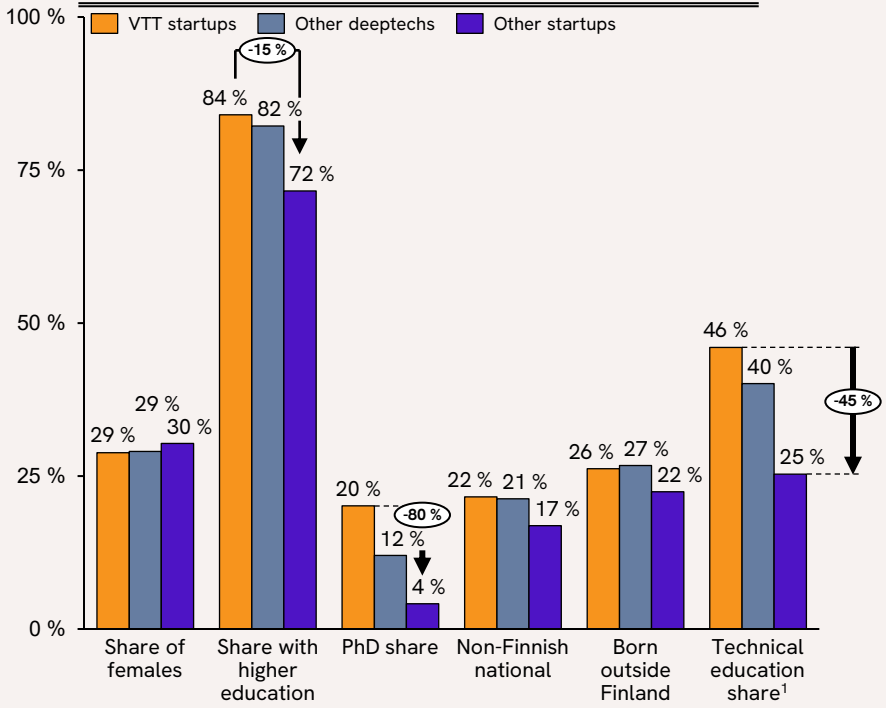


VTT startups employ a substantially more highly educated and technically oriented workforce

VTT startups operate in highly R&D-intensive environments, which suggests that their workforce differs from that of other startups. Comparing employees in VTT startups to startups in Finland, we find clear differences in educational background

The share of PhD-level employees is markedly higher, and employees in VTT startups are more likely to have a technical education, while differences in gender composition and nationality are relatively modest

Employees in VTT startups and other startups in Finland in 2022



[1] Individuals with the following education fields:
Natural sciences, mathematics and statistics, Information and Communication Technologies (ICT), Engineering, manufacturing and construction. This classification is based on Statistics Finland education background classification.

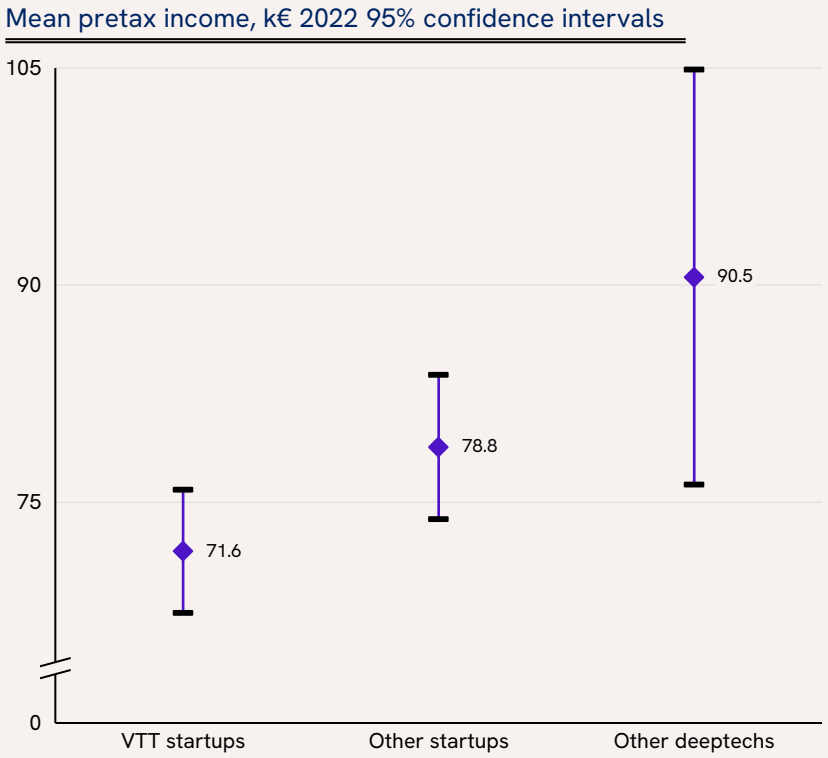
Employees in VTT startups earn ~20% less than in other deeptechs

The figure shows mean pretax income in 2022 with 95% confidence intervals

Employees in VTT startups had total pretax earnings of €71 600. Pretax income is statistically significantly lower compared to other deeptech startups, but not significantly different from all other startups.

The mean earnings of VTT startup workers was €71 600 compared to €78 800 in all other startups and whopping €90,500 in other deeptech firms in Finland. The pretax earnings include earned income and capital gains in 2022

One explanation for the difference in pretax earnings stems from the different maturities of different groups

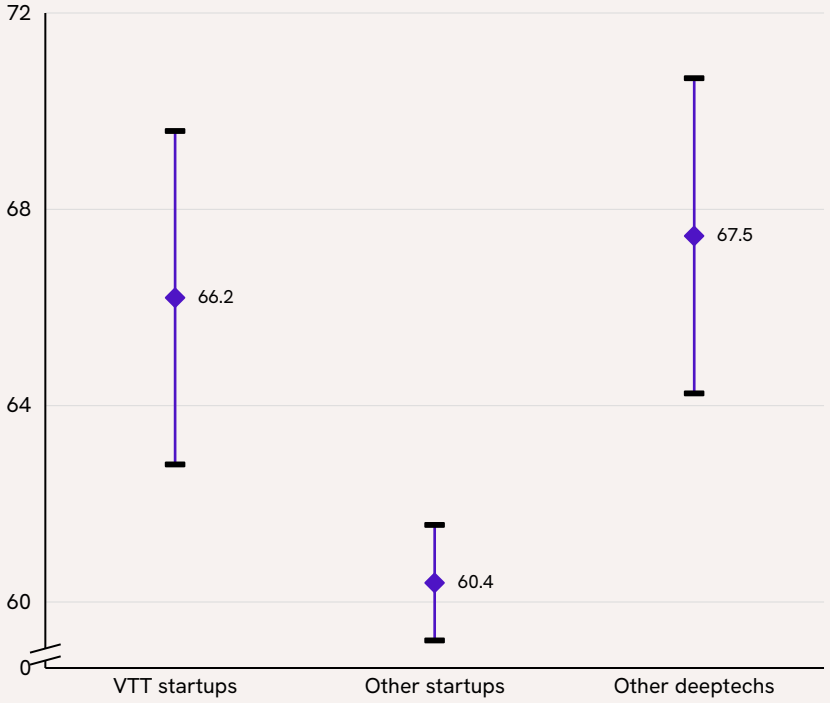


When capital gains are excluded, employees in VTT startups earn more than other startups

Approximately 8% of VTT startup employees' income comes from capital gains vs. 25% for other startups and 25% for other deeptechs

The difference between mean earned income for VTT startup employee and other startups is statistically significant

Mean earned income, k€ 2022 95% confidence intervals

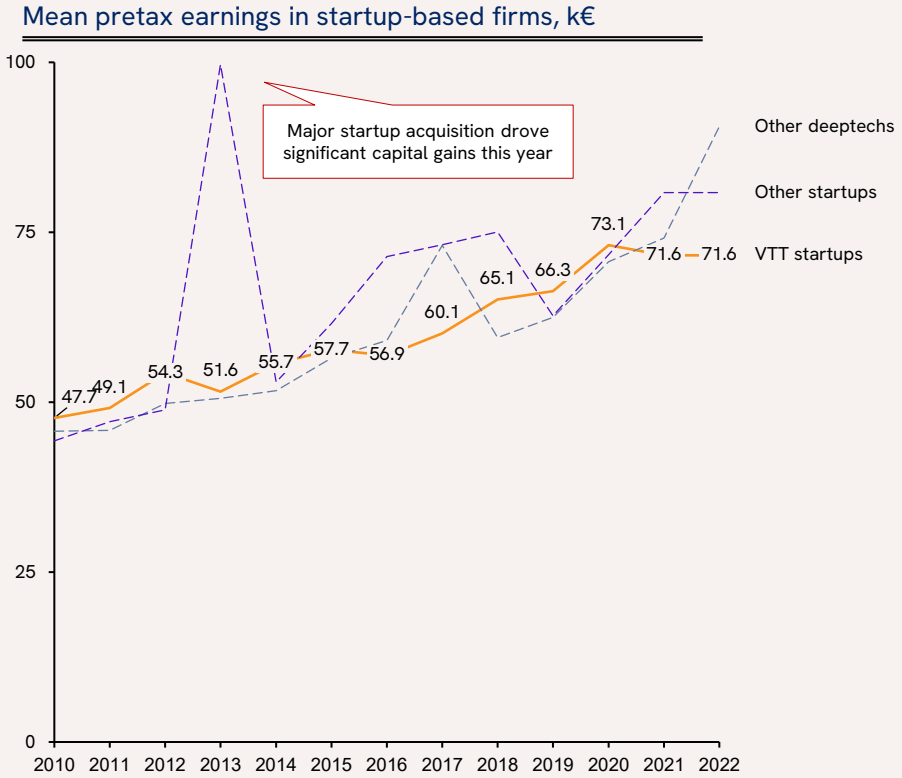


Total earnings of VTT startup employees have grown more slowly than other startups

Employees in other deeptech firms have experienced substantially stronger growth in total pretax income during 2021 and 2022, with average earnings around €19,000 higher than in VTT startups by the end of the period

These differences are unlikely to be driven by education, as employees in VTT startups are on average more highly educated than those in other startup-based firms

Instead, the gap in pretax earnings likely reflects differences in firm maturity and income composition: VTT startups are younger on average and may take longer to scale, while employees in more established deeptech firms are more likely to receive capital income and capital gains, which are included in pretax earnings



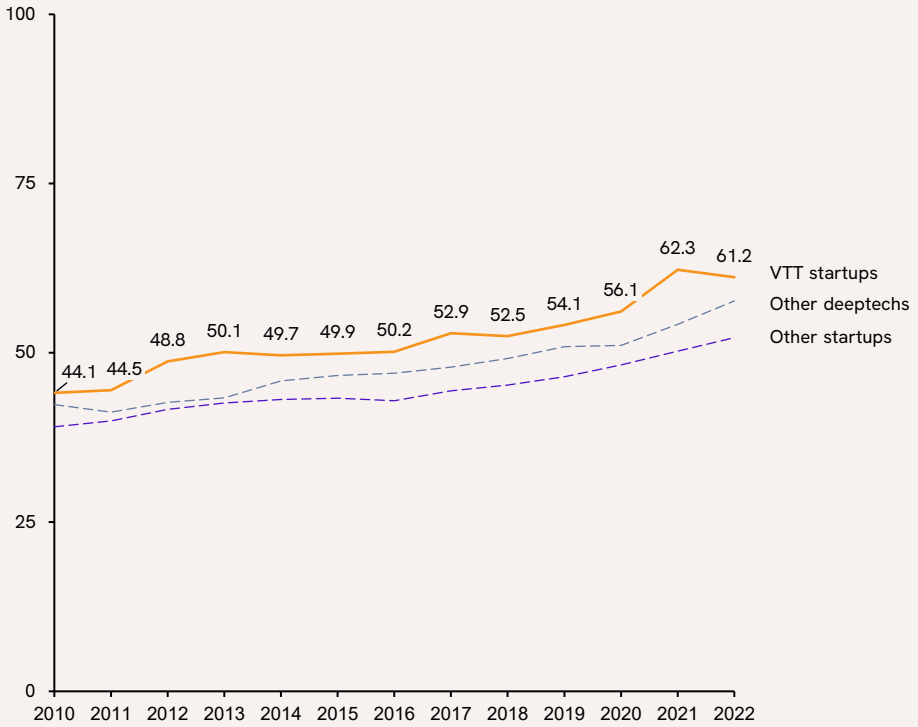
Higher median earnings but fewer top earners in VTT startups

The typical employee in a VTT startup earns more than the typical employee in other startups or deeptech firms

Combined with lower mean pretax earnings, this pattern suggests a more compressed income distribution in VTT startups, with fewer very high earners

A likely explanation is that employees in other deeptech firms and startups are more exposed to capital income and large capital gains, which raise average earnings but affect only a small share of workers

Median pretax earnings in startup-based firms, k€



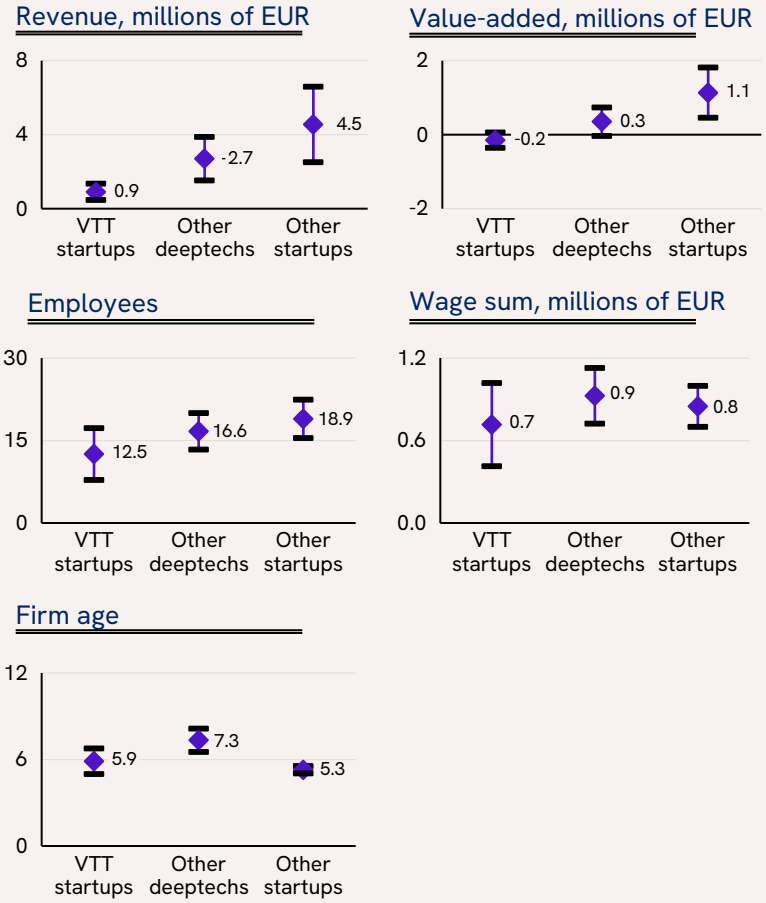
Other startups employ over 50% more people than VTT startup with similar total wage sums, suggesting lower wage costs per employee

Here we show firm group differences using regression results with clustered standard errors

On average, VTT startups operate at a smaller scale than the broader startup and deeptech populations

The revenue gap is more pronounced than the Headcount gap, suggesting VTT startups look to be in earlier stages of commercialization or have different business models

Statistical Note: *Differences are statistically significant at the 95% level, when the confidence intervals are non-overlapping between VTT startups and comparison groups*

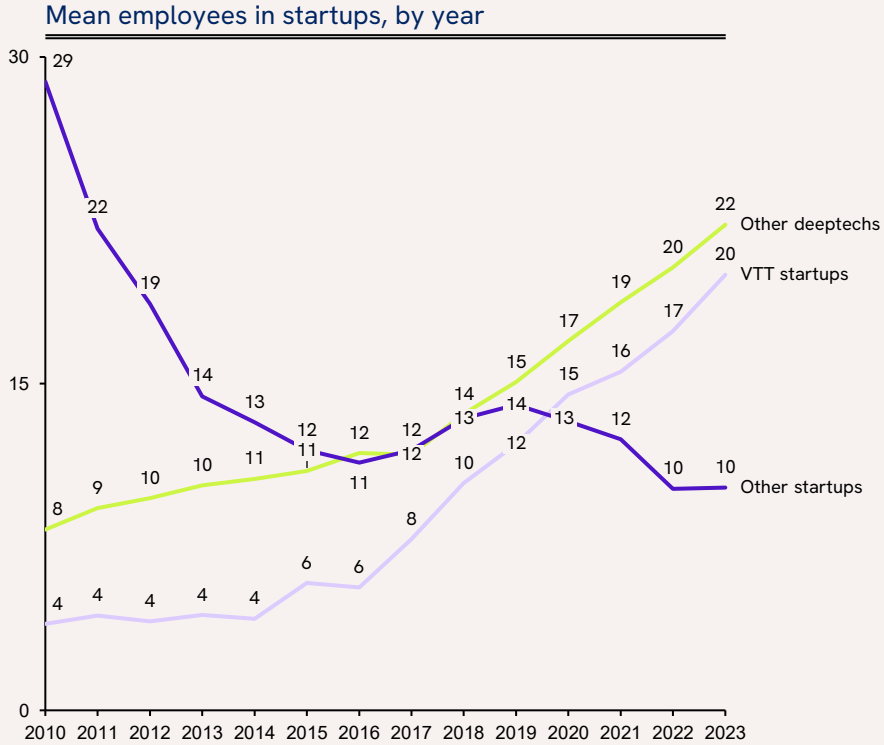


Employment trends differ across firm groups over time

Mean employment follows different time trends across firm groups. VTT startups start smaller but grow steadily, whereas other startups appear larger early on

The decline in average employment among startups in the early years reflects changes in the composition of firms. A sharp increase in the number of new startups between 2010 and 2019 introduces many young, small firms into the sample, lowering the average headcount

These patterns partly reflect differences in firm age and selection in the data. We therefore next examine employment growth by firm age

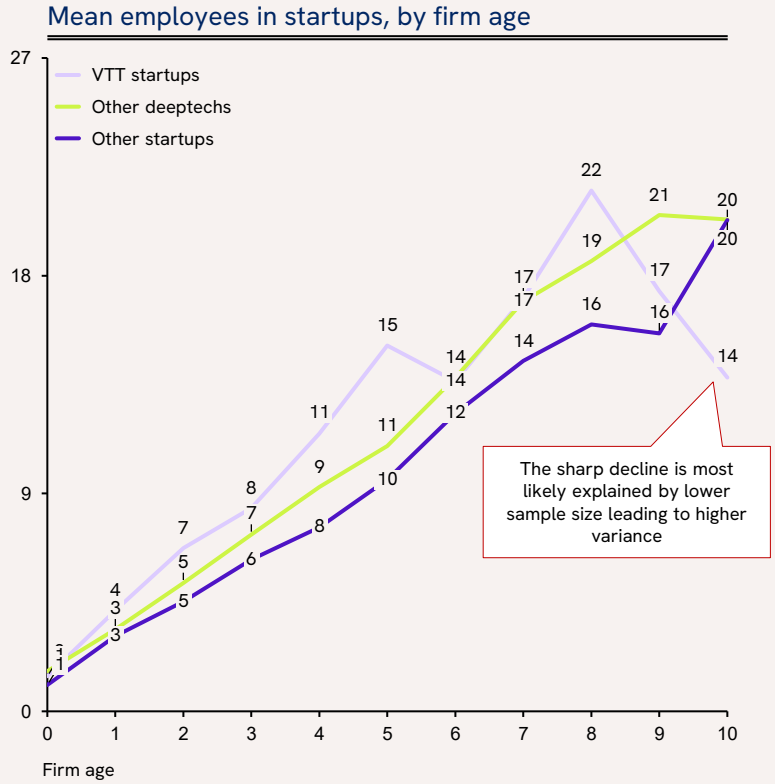


VTT startups grow faster than other deeptechs and startups

The number of employees increases as firms age across all startup groups. VTT startups follow a similar growth pattern, although their employment levels remain somewhat lower than in other deeptech firms at later stages.

Unlike the previous figure based on calendar time, this figure tracks firms by age, allowing for a clearer comparison of growth patterns.

Note: A large share of firms are not observed in the data in their founding year, as register-based datasets typically capture firms only once they exhibit economic activity (e.g., employment or revenue). As a result, the number of observed firms increases sharply between age 0 and age 1.

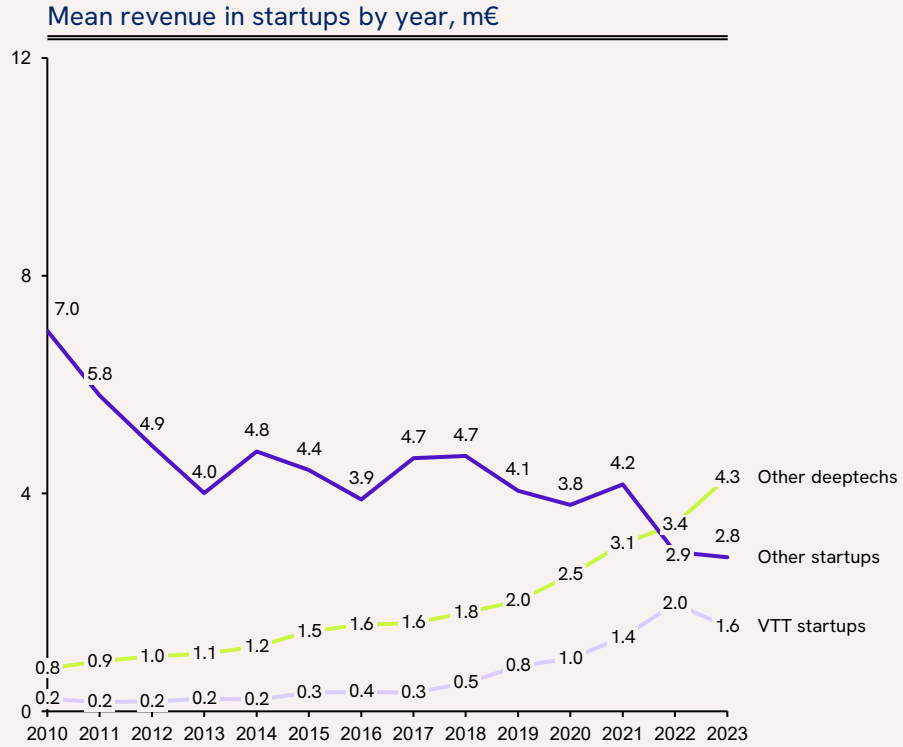


Revenue trends over time across startup groups

Revenue trends over time mirror the patterns observed in employment. While average revenue declines for other startups, VTT startups and other deeptech firms show steady growth

This largely reflects changes in the composition of firms. A sharp increase in the number of new startups introduces many young, low-revenue firms into the sample, lowering average revenue

To account for this, we next examine revenue by firm age



Revenue trends over firm age

When comparing firms by age, a different pattern emerges. Other startups scale revenues significantly faster than both VTT startups and other deeptech firms.

This likely reflects differences in business models. Other startups often include software and digital firms that can scale rapidly, whereas deeptech and research-based firms typically require longer development and commercialization phases.

In contrast to calendar-time trends, comparing firms by age reveals a different pattern.