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Analysis of the Start-up Ecosystem in Czechia

Brian Havlín

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MINISTRY OF EDUCATION, YOUTH AND SPORTS

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System Support for Implementation and Management of the National RIS3 Strategy 2023+
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List of Abbreviations

AR	Augmented Reality
CSO	Czech Statistical Office
EIS	European Innovation Scoreboard
ESNA	European Start-up Nations Alliance
EU	European Union
EUR	Euro
HP	Hewlett-Packard
ICT	Information and Communication Technologies
IoT	Internet of Things
IPO	Initial Public Offering
MUNI	Masaryk University
NRIS3	National Research and Innovation Strategy
OECD	Organisation for Economic Co-operation and Development
RIS3	Research and Innovation Strategy for Smart Specialisation
SaaS	Software as a Service
UK	Charles University
UPOL	Palacký University Olomouc
USA	United States of America
USD	United States Dollar
VC	Venture Capital Funds
VR	Virtual Reality
VUT	Brno University of Technology

Introduction

Start-ups are young companies that seek to bring innovative products or services to the market and are often characterised by high growth potential. They are emerging in a wide range of sectors, from technology and healthcare to sustainable energy, and bring new ideas and solutions that can transform the market and create new jobs. The start-up concept was pioneered in the 1930s by Hewlett-Packard in Silicon Valley, when two Stanford University graduates experimented with electrical engineering in a small garage in Palo Alto. HP later became one of the largest technology companies in the US (Miller, Chip Wars, 2024).

One of the world's most successful start-ups is the American company Google, whose founding in 1998 fundamentally changed the way people search for information on the internet. Google became synonymous with online search and its innovations in online advertising, data analytics and cloud services pushed the boundaries of technological progress and had a profound impact on the global economy. Another example is Airbnb, founded in 2008, which changed the way people travel and find accommodation, leading to the development of the sharing economy and a new form of tourism.

These and other examples show how start-ups can deliver innovations that not only transform individual sectors, but also have a broader impact on the global economy and society. The success of these companies is often based on their ability to adapt quickly to changing market conditions and continuously seek new opportunities for growth and expansion.

The importance of start-ups in the Czech economy should not be underestimated. They contribute to the creation of new jobs stimulate economic growth and increase the country's competitiveness at the international level. Start-ups also foster an environment of innovation, which is essential for sustaining long-term economic prosperity and adaptability to changing global markets. In doing so, they play a part in increasing companies innovation performance, which is one of the strategic objectives of the horizontal priorities of the National RIS3 Strategy.[1] As will be shown in Chapter 4, a large proportion of start-ups in Czechia focus on areas such as digitalisation, automation, support for business services, and particularly new technologies. This reflects the strategic objective of *Increasing the Use of New Technologies and Digitalisation within the Horizontal Priorities of the NRIS3 Strategy*.[2]

A major factor in the success of start-ups is a robust support infrastructure. This includes not only financial resources, but also access to expertise, mentors, technology facilities and networks of contacts. The Czech start-up environment is gradually developing and offers various forms of support, including incubators, accelerators, venture capital funds and government programmes.

The infrastructure supporting start-ups in Czechia includes several key actors. These include universities and research institutions, which provide basic research and development while also serving as incubators for new ideas. There are also specialised accelerators and incubators that help start-ups in the early stages of their development by offering funding, consultancy and access to networks of contacts.

Venture capital funds and angel investors play an essential role in providing the capital required for the growth and expansion of start-ups. In addition to finance, they also offer strategic advice and access to important business contacts. Government programmes such as subsidies and grants provide additional financial support and ensure favourable conditions for the development of innovative enterprises.

In addition to national initiatives, regional support is also important. Many cities and regions in Czechia recognise the importance of supporting start-ups and are creating local ecosystems that include coworking centres, local accelerators and incubators, as well as other forms of support. This regional network helps to diversify the economy and encourages the emergence of innovative solutions that can be specifically adapted to local needs and conditions.

Significant experience and inspiration also come from abroad. Many Czech start-ups participate in international programmes and competitions, where they gain valuable contacts, funding and knowledge. Inspiring examples include well-known start-up hubs such as Silicon Valley in the US, Tel Aviv in Israel and Berlin in Germany, where start-ups can learn from successful entrepreneurs and investors and apply proven methods and strategies in their home environment.

Overall, the start-up ecosystem in Czechia is dynamic and constantly evolving. Thanks to a combination of national and regional support, access to finance and knowledge, and inspiration from abroad, Czech start-ups have the potential to become major players on the global market. It is important to continue supporting this ecosystem and enabling young innovative companies to grow and prosper.

[1] RIS3. (2022). *Horizontal Priority: Research and Innovation for Business.* https://www.ris3.cz/o-ris3/narodni-dimenze/priority/prurezove-horizontalni-priority/horizontalni-priorita-vyzkum-a-inovace-pro-podnikani

[2] RIS3. (2022). *Horizontal Priority: Digital Agenda.*https://www.ris3.cz/o-ris3/narodni-dimenze/priority/prurezove-horizontalni-priority/horizontalni-priorita-digitalni-agenda

Methodology

For the analysis of the start-up ecosystem in Czechia, data were collected from several important sources that provide a comprehensive overview of the state and development of start-ups in the region. Specifically, data on start-ups, investments, venture capital (VC) funds, and start-up exits were obtained from the following sources: CzechInvest, CzechFounders, Dealroom, Crunchbase, Start-upMap, CzechCrunch, OECD and Eurostat.

These data were subsequently integrated and thoroughly processed, resulting in a wealth of unique information that provided a deeper understanding of the dynamics of the Czech start-up ecosystem. Based on these data, specific indicators were selected and developed to enable benchmarking and comparison of the Czech start-up ecosystem with other countries, particularly within Central and Eastern Europe.

The selection and creation of indicators were based on several key criteria, including the growth rate of start-ups, the volume of invested capital, the number of successful exits and the longevity of start-ups. These indicators were then used to create a comprehensive picture of the competitiveness and innovation capacity of the Czech start-up environment.

To compare start-ups across Central and Eastern Europe, data from the Deloitte Technology Fast 50 were selected. This is a recognised global programme supporting the fastest-growing technology companies in the Central European region. As part of this programme, for 24 years now Deloitte has been compiling one of the most objective rankings aimed at identifying and recognising fast-growing, innovative technology companies.

Support for the Start-up Ecosystem

Innovative infrastructures play a key role in supporting and growing the start-up ecosystem. This infrastructure includes incubators, accelerators, coworking centres, technology parks and research centres that provide start-ups with the resources, knowledge and environment they need to grow.

Incubators and accelerators offer specific programmes focused on different stages of start-up development — from idea to prototype to commercialisation. These programmes provide not only financial support, but also mentoring from experienced entrepreneurs and experts, access to a network of investors and the opportunity to make valuable business contacts.

Coworking centres provide flexible workspaces that allow start-ups to share office costs while creating a dynamic environment where emerging companies can collaborate, share experience and inspire one another. Technology parks and research centres then provide access to state-of-the-art technological facilities and expertise, which is essential for the development of innovative products and services. For more on this topic, see Samek (Methodology for the Development of Innovation Infrastructures, 2022).

Another important element of support is cooperation with universities and other educational institutions, which provide not only skilled labour but also support in the form of research and development. Such collaboration contributes to the transfer of knowledge and technologies from academia to commercial projects, thereby accelerating the innovation process.

At both the national and regional level, it is important to develop and support policies and programmes that facilitate start-ups' access to these innovation infrastructures. Investments in infrastructure and support for start-ups brings long-term benefits for economic growth and regional competitiveness.

At the local level, support for start-ups is provided through local initiatives and programmes that reflect the specific needs and conditions of each region. Innovation centres, regional development agencies and local governments often organise programmes supporting innovation and entrepreneurship, including grants, training, mentoring and advisory services. These initiatives help start-ups not only survive the early stages, but also successfully develop and expand. Collaboration with local universities and research institutions is crucial for ensuring access to talent and expertise, which contributes to the creation of dynamic regional ecosystems.

Experience from abroad shows that support for start-ups can be crucial not only in the early stages, but also later in their development. In advanced start-up ecosystems such as the United States, Israel and Germany, there are extensive programmes and initiatives that provide support not only for the establishment of new businesses, but also for their growth and expansion.

In the US, for example, start-ups are supported through a strong network of incubators and accelerators, such as Y Combinator or Techstars, which not only help companies financially, but also provide mentoring, access to investors and valuable contacts. Israel prides itself on its "Startup Nation" approach, which includes government support, educational programmes and close collaboration with the military, resulting in one of the strongest innovation ecosystems in the world. Germany focuses on connecting start-ups with industrial giants and universities, ensuring the transfer of technologies and knowledge to the commercial sphere.

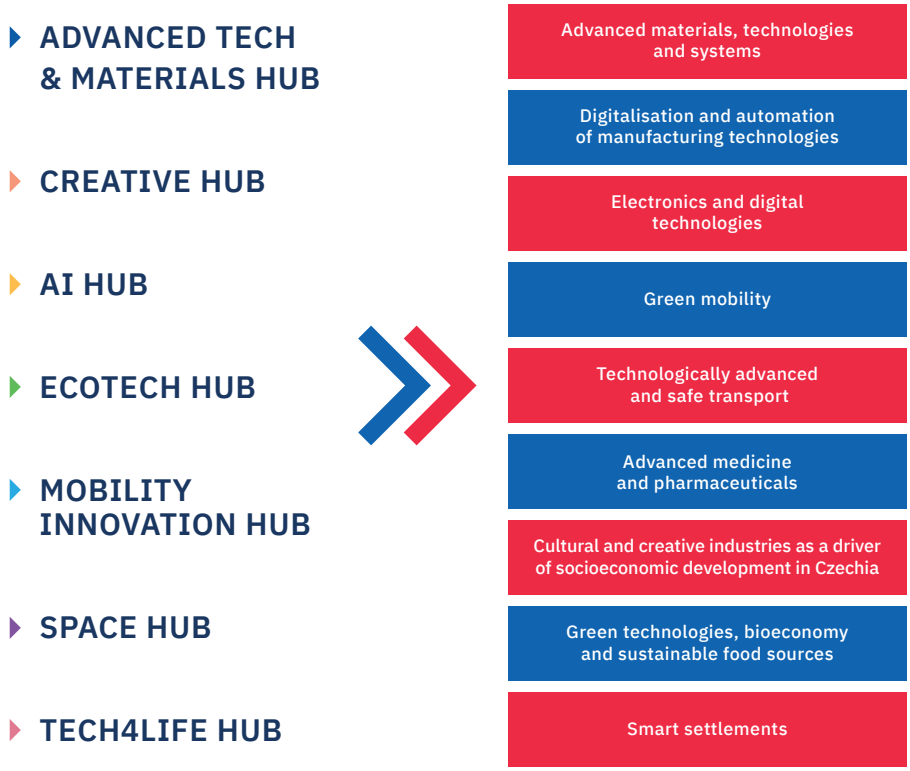
Czechia should draw inspiration from these successful models and focus on developing and strengthening support structures for all stages of start-up development. Investment in incubators and accelerators, support for cooperation with universities and industry, and the creation of a favourable environment for investors are essential steps to enable the Czech start-up ecosystem to successfully develop and compete at the international level.

The technological hubs of the Technology Incubation project run by CzechInvest play a key role in supporting innovation and the development of the start-up ecosystem in Czechia. This support includes not only funding, but also mentoring, training and access to expert consultancy.

The Technology Incubation project is aimed at supporting start-ups at various stages of development, from pre-incubation to acceleration. Through this project, CzechInvest supports start-ups in seven key areas. For each of these areas, dedicated hubs have been created (see Figure 1), covering fields such as artificial intelligence, digital technologies, software and hardware development, advanced engineering, nanotechnology, clean mobility, aircraft development and manufacturing, space technologies and the Internet of Things. These hubs provide start-ups with access to expertise and networks of contacts, which is essential for the development of innovative products and services.

The National Research and Innovation Strategy for Smart Specialisation of the Czech Republic (RIS3) focuses on identifying and supporting key domains of specialisation with high potential for economic growth and competitiveness. These domains include advanced materials, technologies and systems, digitalisation and automation of manufacturing technologies, electronics and digital technologies, green transport, technologically advanced and safe transport, advanced medicine and pharmaceuticals, cultural and creative industries, green technologies and the bioeconomy, and smart cities and communities.

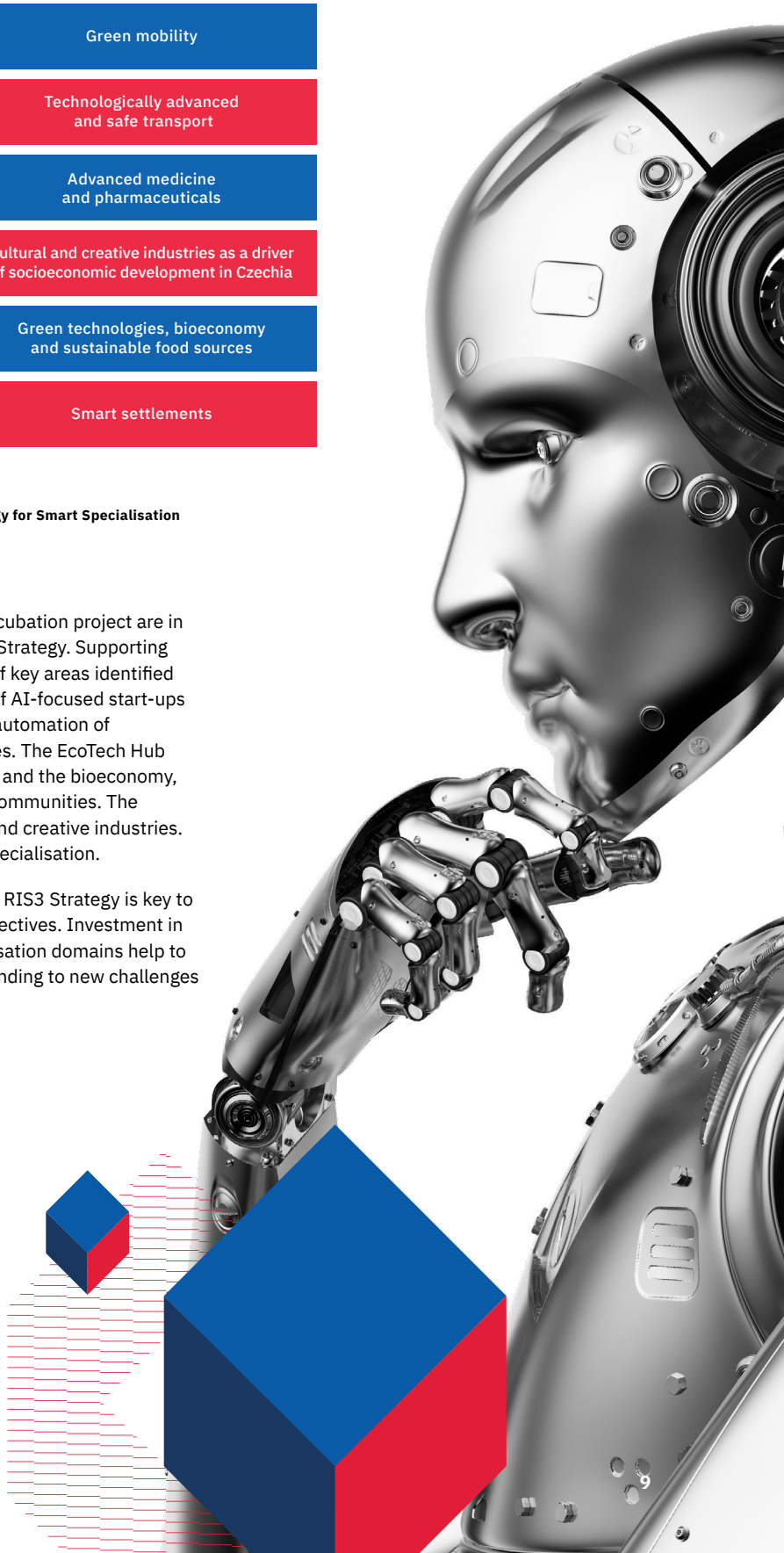
Figure 1: Overview of CzechInvest Hubs within the Technology Incubation Project and Their Links to RIS3 Domains



Source: CzechInvest 2025, National Research and Innovation Strategy for Smart Specialisation of the Czech Republic 2021—2027, authors' analysis

The technology hubs under CzechInvest's Technology Incubation project are in line with the priorities and domains of the National RIS3 Strategy. Supporting start-ups in these hubs contributes to the development of key areas identified in the RIS3 Strategy. For example, the AI Hub's support of AI-focused start-ups contributes to the development of the digitalisation and automation of manufacturing technologies as well as digital technologies. The EcoTech Hub overlaps with the vertical priorities of green technologies and the bioeconomy, environmentally friendly transport and smart cities and communities. The Creative Hub corresponds to the domain of the cultural and creative industries. Similar links exist between other hubs and domains of specialisation.

Collaboration between technology hubs and the National RIS3 Strategy is key to achieving long-term innovation and economic growth objectives. Investment in technology hubs and supporting start-ups in key specialisation domains help to create a dynamic innovation ecosystem capable of responding to new challenges and trends in industrial transformation.

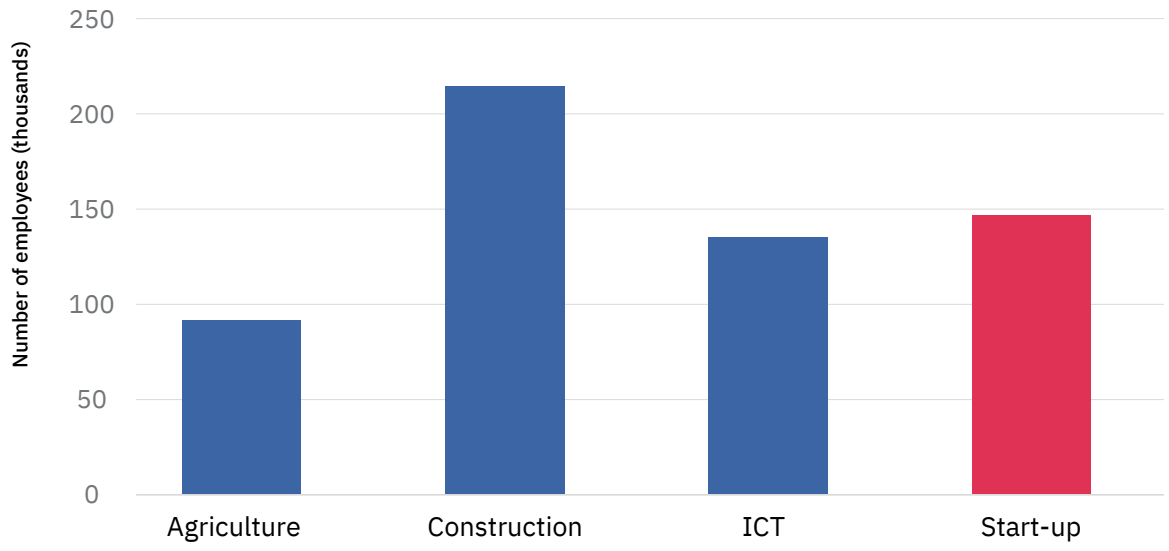


Current State of the Czech Start-up Ecosystem

The number of start-ups in Czechia varies depending on the methodology used. Each database, institution or organisation applies its own definition of a start-up and different criteria for selecting and mapping them. This issue is not unique to Czechia, but affects almost all other countries as well. According to the Dealroom database, there are 1,631 funded start-ups in Czechia. The Crunchbase database shows approximately 1,100 start-ups in Czechia, while the recently established Czech Start-up Association lists more than 900 start-ups and over 300 angel and VC investors on its website.

The importance of start-ups in the Czech economy is illustrated, for example, by the number of employees. The chart in Figure 2 shows that there are around 150,000 people employed in start-ups. This is almost twice as many as in agriculture and even more than in ICT companies (according to CSO data, approximately 135,000 employees). Based on labour market data, the Smart Market Report 2024 states that the share of the start-up environment in the Czech economy is around 5%.

Figure 2: Number of Employees in Czechia in Selected Sectors in 2022



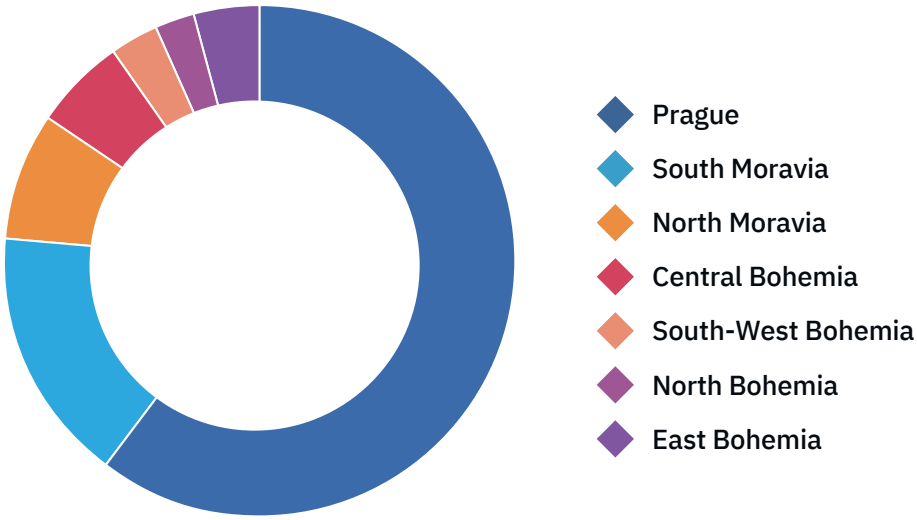
Source: Smart Market Report 2024, prepared by CzechInvest

Czechia has maintained a stable position in the Start-up Ecosystem Report 2024 in recent years. Since 2021, it has ranked in 32nd place. In the European context, Czechia has moved up by three places, to 19th position. Among Eastern European countries, Czechia is currently ranked third, having overtaken Poland and Russia. In terms of the number of strategic branches of multinational technology corporations, the Czech start-up ecosystem is ranked seventh in global terms.

The main factors influencing the ranking of the Czech start-up ecosystem include a thriving economy and a highly educated workforce, which create a favourable environment for innovative ideas, low cost of living, low tax rates and a central location in Europe that makes Czechia attractive to foreign entrepreneurs. The maturity of high-tech industries and the gaming sector also plays an important role. The Czech government organisation CzechInvest focuses on developing the national start-up ecosystem through initiatives such as start-up support programme and the Start-up Visa for foreign entrepreneurs. Regional organisations such as the JIC provide support to entrepreneurs throughout the life cycle of their businesses by offering a range of services and resources.

If we look at the regional distribution of start-ups, we find that almost two-thirds are based in Prague, which is also the only Czech city included in the TOP 100 Cities ranking of the Global Start-up Ecosystem Index 2024, where it ranks 89th. Prague achieved particular success in the VR/AR sector, ranking 17th globally, and as high as fifth among European cities. The South Moravian region also has a significant share of the number of start-ups in Czechia, accounting for approximately 17%. Brno moved up 47 places in the Global Start-up Ecosystem Index in 2024, ranking 190th among cities worldwide. In the software industry, it ranks 75th in the world and 24th in Europe. The Moravian-Silesian region ranks third, while the other regions of Czechia account for only a few percent of start-ups. The distribution of start-ups reflects the distribution of technical universities and the corresponding related number of graduates, but also reflect the geographical distribution of the economic activity of companies in Czechia. These findings confirm that the start-up ecosystem is heavily centralised in the capital.

Figure 3: Number of Jobs in Start-ups by Region



Source: Smart Market Report 2024, prepared by CzechInvest

According to the Smart Market Report 2024, start-ups are typically microenterprises rather than small and medium-sized enterprises. Almost half of all start-ups in Czechia have fewer than six employees. Companies with fewer than 20 employees account for three-quarters of all start-ups. The start-up environment includes both microenterprises at the beginning of their journey and growing successful companies. Small and medium-sized enterprises are important in terms of overall employment, which is reflected in the average number of employees per start-up, which is almost 40 people per company. Start-ups with 100—500 employees account for more than a third of all jobs, although they represent only 6% of companies. Companies with 100—500 employees are defined as medium-sized enterprises.

Although the Czech economy has stagnated in recent years and is currently the only EU economy that has not yet returned to its pre-COVID level, the start-up environment of the Czech economy has undergone very dynamic development in recent years. Between 2018 and 2022, the number of start-ups increased by one-third. Total start-up employment has followed a similar trend, also increasing by a third, corresponding to an average annual growth rate of 7%. Over the same period, the average salary in start-ups increased by approximately 35%, representing an average annual growth rate of 8%. By comparison, the average wage in the Czech economy rose by 26% during the same period (Smart Market Report 2024).

In 2022, the volume of transactions in European start-ups totalled approximately 82 billion US dollars, with Czechia accounting for approximately 2%, twice the share of the Czech economy in the European economy.

Classifying start-ups into specific industries or sectors represents a significant challenge within the Czech start-up ecosystem. Start-ups often operate at the intersection of several different industries, making it difficult to classify them clearly. For example, technological start-ups may operate in healthcare, finance or education, making it difficult to assign them to traditional categories. This problem is compounded by the rapid pace of innovation and the constant emergence of new markets and technologies. However, correct classification of start-ups is crucial for their access to funding, regulation and support programmes, which are often sector-specific.

According to the Dealroom database, most start-ups in Czechia operate in enterprise software, followed by fintech and marketing (see Figure 4). Media, health and transport are also significant sectors. In terms of technologies, artificial intelligence, deep tech, hardware manufacturing and mobile applications dominate (see Figure 4). If we were to categorise Czech start-ups by business model, most of them fall into manufacturing (759), around 700 start-up companies focus on SaaS, and over 300 start-ups operate in trade and e-commerce.

Figure 4: Start-up Sectors According to the Dealroom Database

INDUSTRIES	
Enterprise software	315
Fintech	217
Marketing	217
Media	185
Health	161
Transportation	151
Energy	122
Food	96
Real estate	92
Education	87

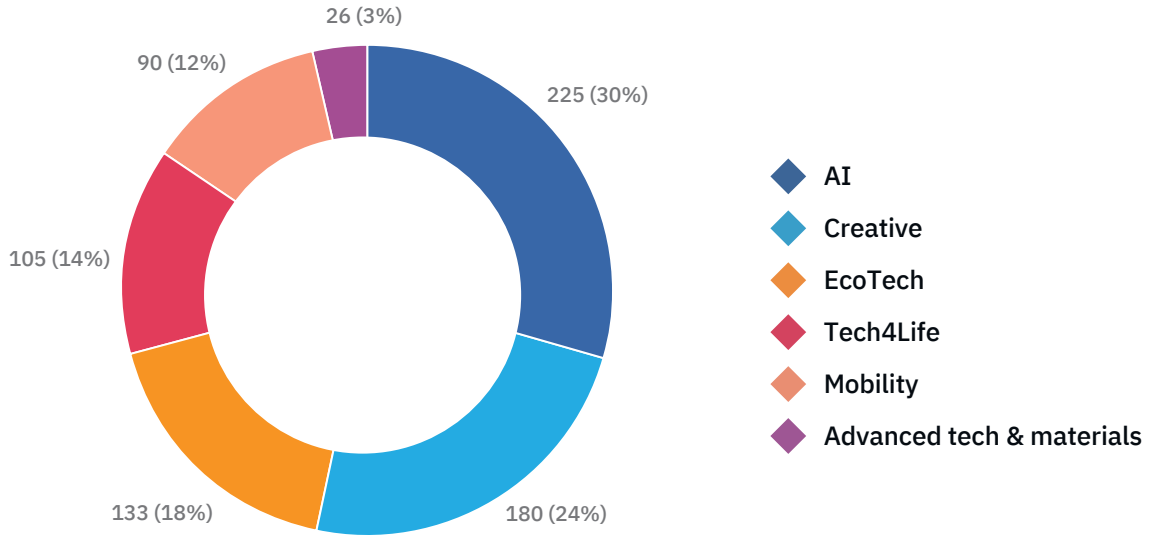
TECHNOLOGIES	
Artificial intelligence	221
Deep tech	171
Hardware	123
Mobile app	99
Machine learning	85
Big data	73
Blockchain	48
IoT (internet of things)	44
Virtual reality	35
3D technology	31

BUSINESS MODELS	
Manufacturing	759
SaaS	699
Marketplace & ecommerce	306

Source: Czechia Dealroom 2025, prepared by CzechInvest

The largest number of start-ups applying to the CzechInvest Technology Incubation programme operate in the field of artificial intelligence (30%), followed by the creative industries (24%), EcoTech (18%) and Tech4Life (14%). These statistics on applications also provide insight into the sectors in which start-ups are emerging in Czechia.

Figure 5: Start-up Applications to the Technology Incubation Programme by Sector Focus



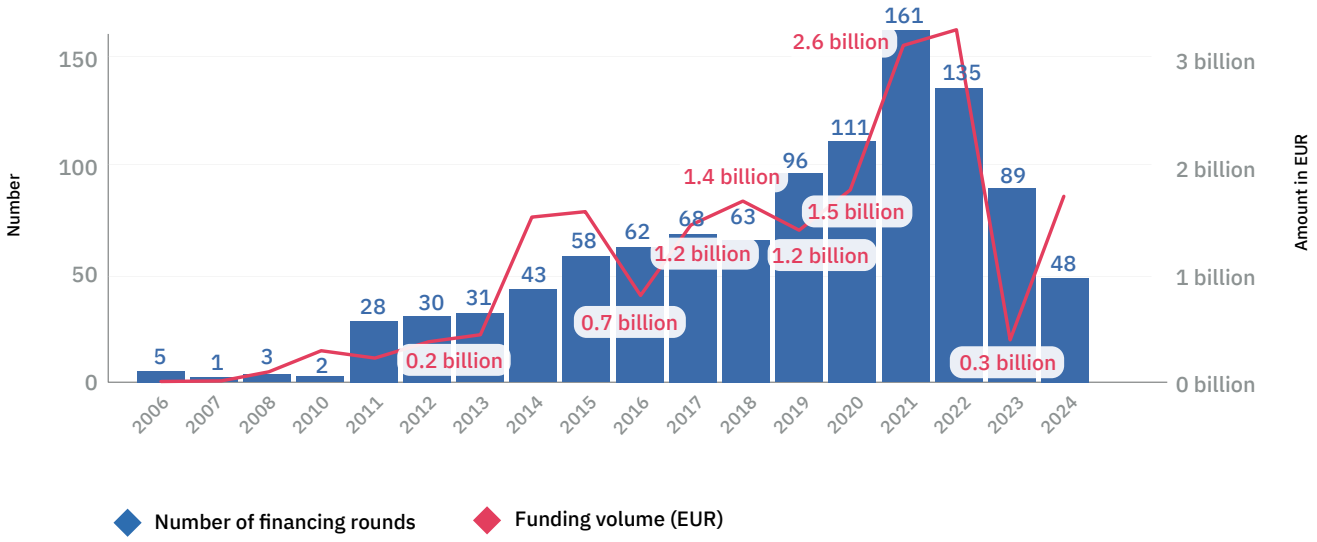
Source: CzechInvest 2025

Investment in Start-ups

Volume of Investments in Start-ups in Czechia

A total of 697 start-ups in Czechia have received investment, raising a total of EUR 4.40 billion in funding. The average amount of funding per start-up is EUR 4.99 million. The chart in Figure 6 shows the development in the number of start-up investments and the total amount of funding between 2006 and 2024. It shows a gradual increase in start-up funding from 2010 to 2018. A significant increase occurred between 2019 and 2022, peaking at 2.6 billion EUR. The chart shows that the volume of investment in start-ups declined in 2023. This decrease was also reported by certain media outlets (Lupa.cz, 2024). The lower volume of investments and funding in 2024 may be due to the fact that the data for this analysis were processed during 2024 and the year had not yet been completed. In most years, the trend in the number of investments correlates with the total investment volume.

Figure 6: Development of the Number of Investments and the Volume of Funding

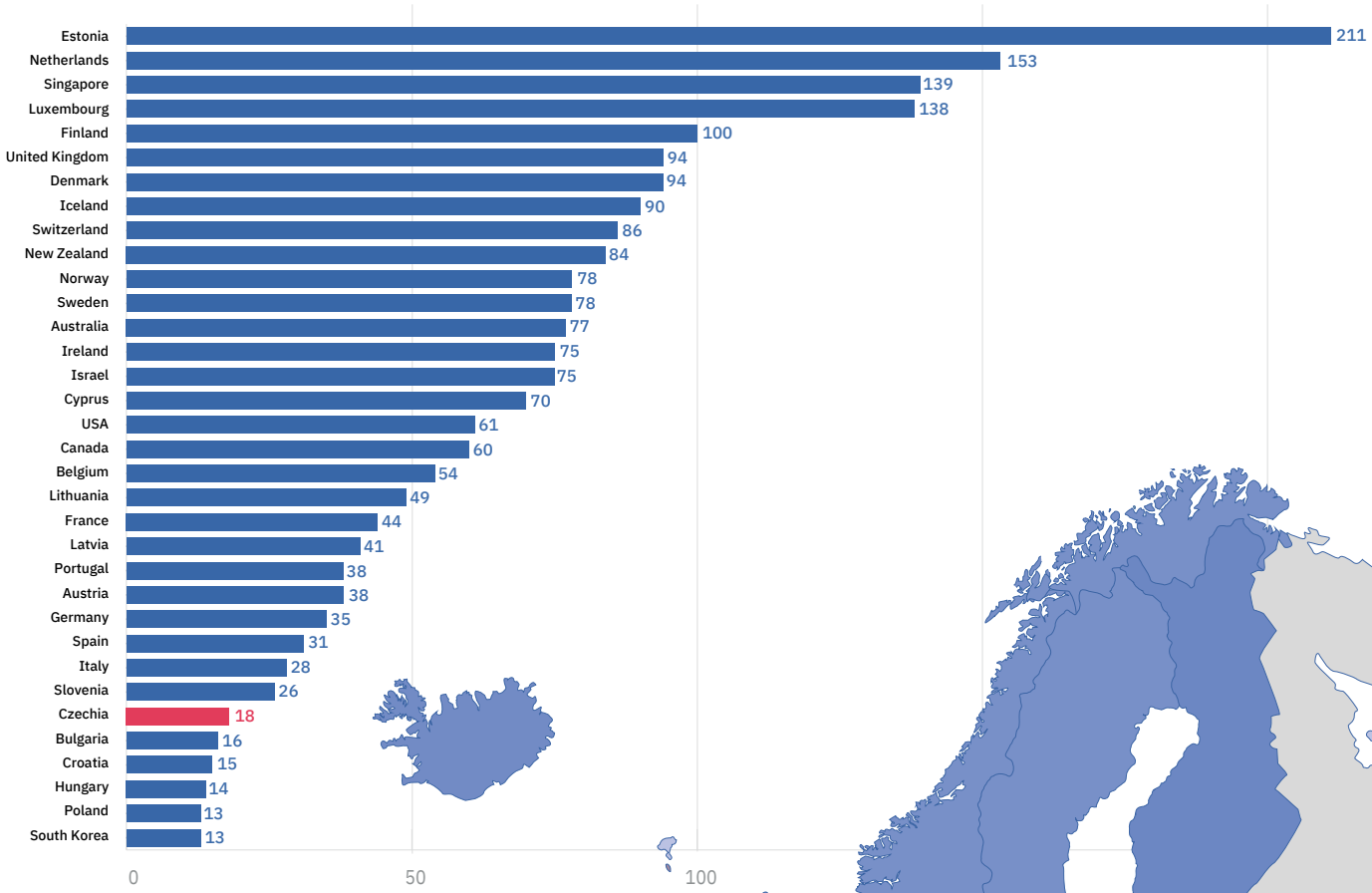


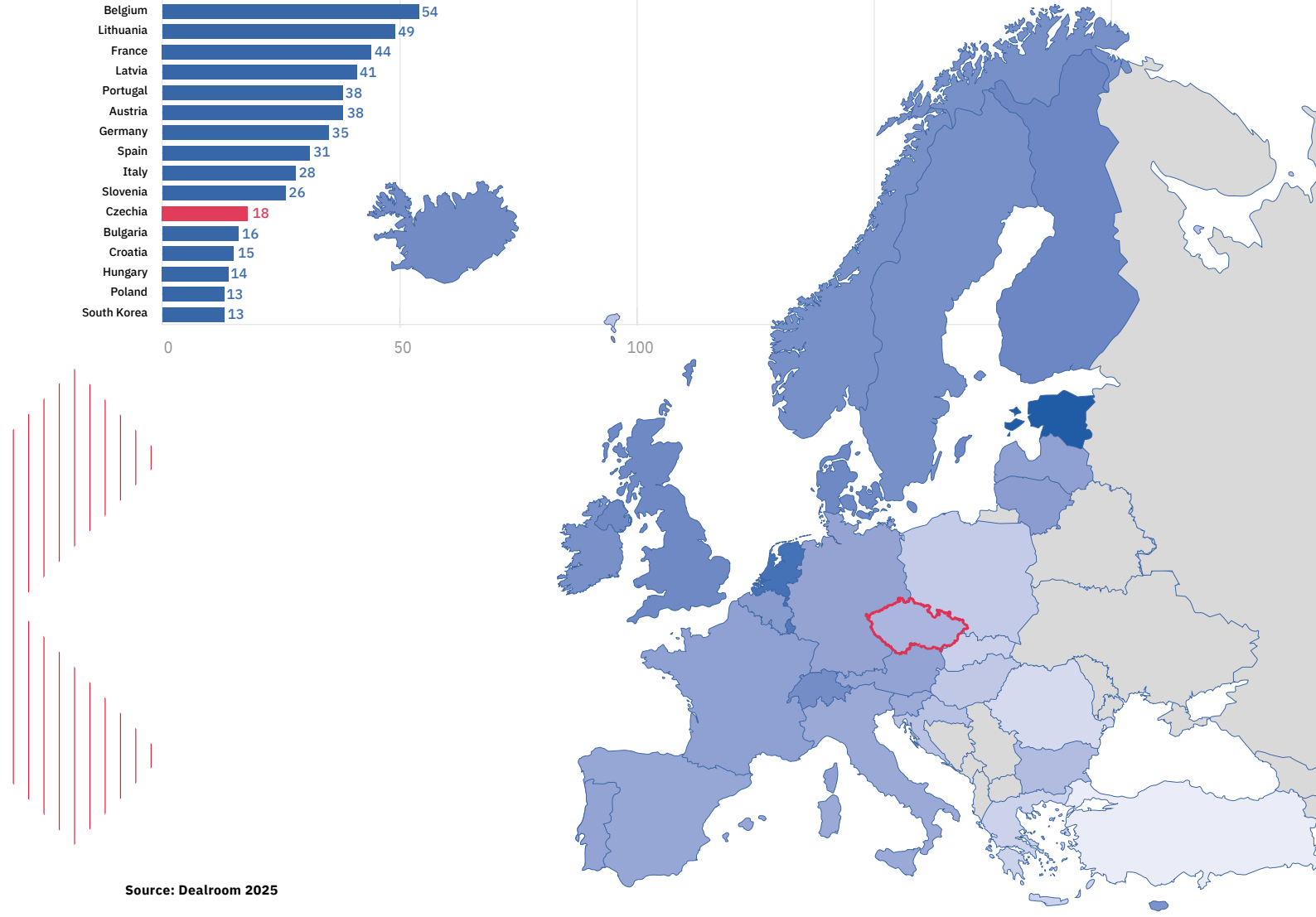
Source: CzechFounders, prepared by CzechInvest 2025

Comparison of the Czech Start-up Ecosystem with Other Countries

Since 2014, the highest number of start-ups per capita has been founded in Estonia, followed by the Netherlands and then Singapore and Luxembourg. With 18 start-ups per 100,000 inhabitants since 2014, Czechia ranks in a relatively unfavourable position between Slovenia (26) and Bulgaria (16). If we compare European countries with similar populations, the vast majority rank well ahead of Czechia. It is interesting to note that all the Baltic States, as well as Iceland and Cyprus, rank ahead of Czechia in this regard.

Figure 7: Number of Start-ups Founded Since 2014 per 100,000 Inhabitants

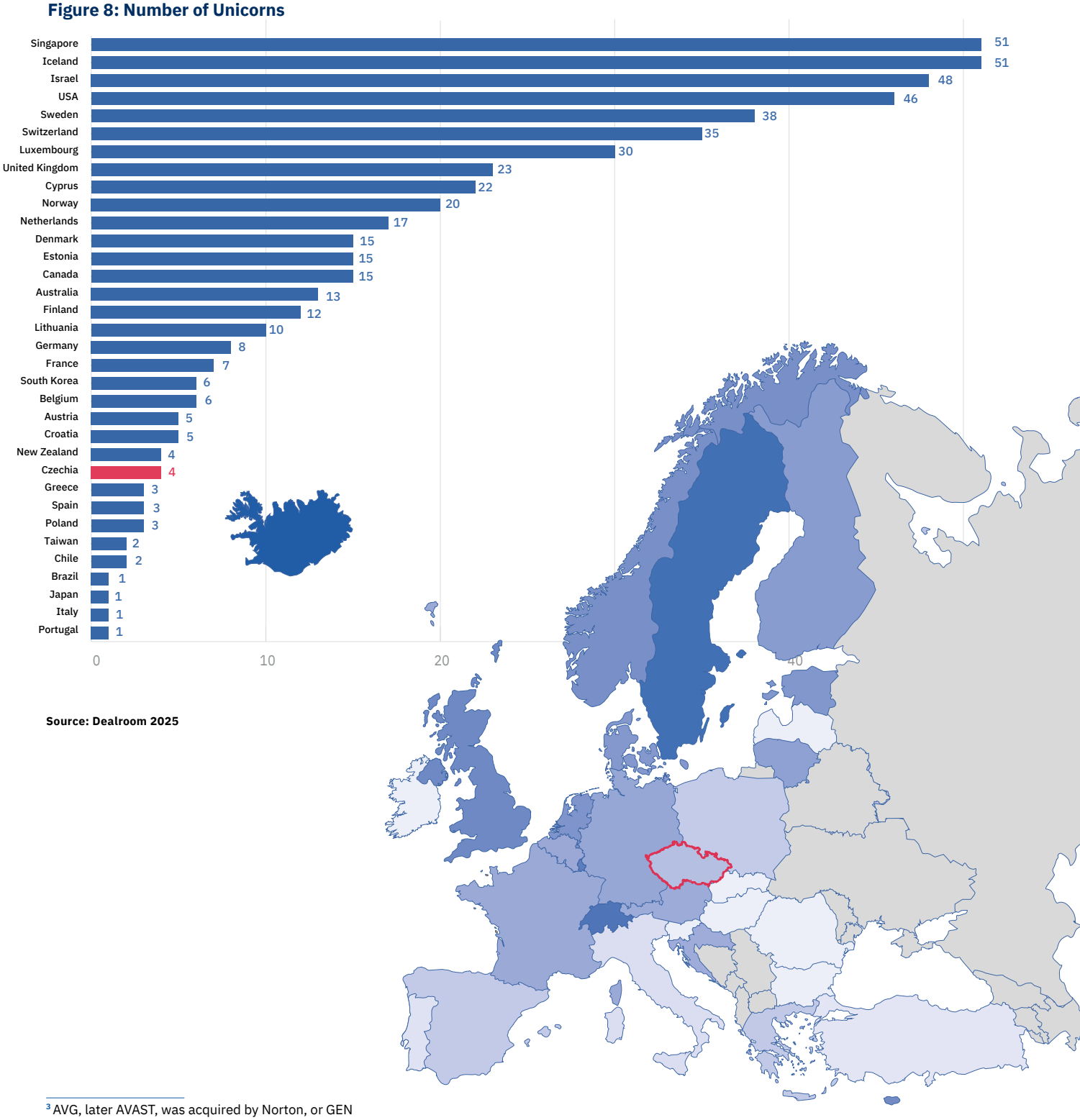




Source: Dealroom 2025

A similar country ranking can be seen in the number of unicorns. Unicorns — start-ups valued at over one billion USD — play a key role in the start-up ecosystem. These companies not only attract the attention of investors and talent from around the world, but also inspire other entrepreneurs to pursue similar success. Unicorns often serve as catalysts for innovation and economic growth within a region, contributing to the creation of new jobs and boosting competitiveness. For better comparison, this indicator is shown in Figure 8 recalculated per 10 million inhabitants. Singapore, Iceland, Israel and the United States appear at the top of the ranking. Historically, Czechia has five such start-ups. These include AVG[3], founded in 1990, which reached the USD 1 billion valuation in 2012. Another is Avast, which reached this milestone in 2014. Productboard was also valued at USD 1 billion in 2022, as was start-up Mews this year. Of the Czech start-ups, Rohlik.cz reached USD 1 billion valuation the fastest, achieving this milestone in just seven years. These companies are positive examples of how local businesses can achieve global success and become major players in the international market. From the perspective of valuation, the start-up JetBrains is also classified as a unicorn. Decision (EU) 2022/2481 of the European Parliament and of the Council establishing the Digital Agenda 2030 set the EU objective of "at least doubling the number of unicorns" in the EU by the end of 2030. According to this methodology, four unicorns are currently listed for Czechia (according to Dealroom data): AVG (2012), Avast (2014), JetBrains (2020) and Rohlik (2021).

Figure 8: Number of Unicorns

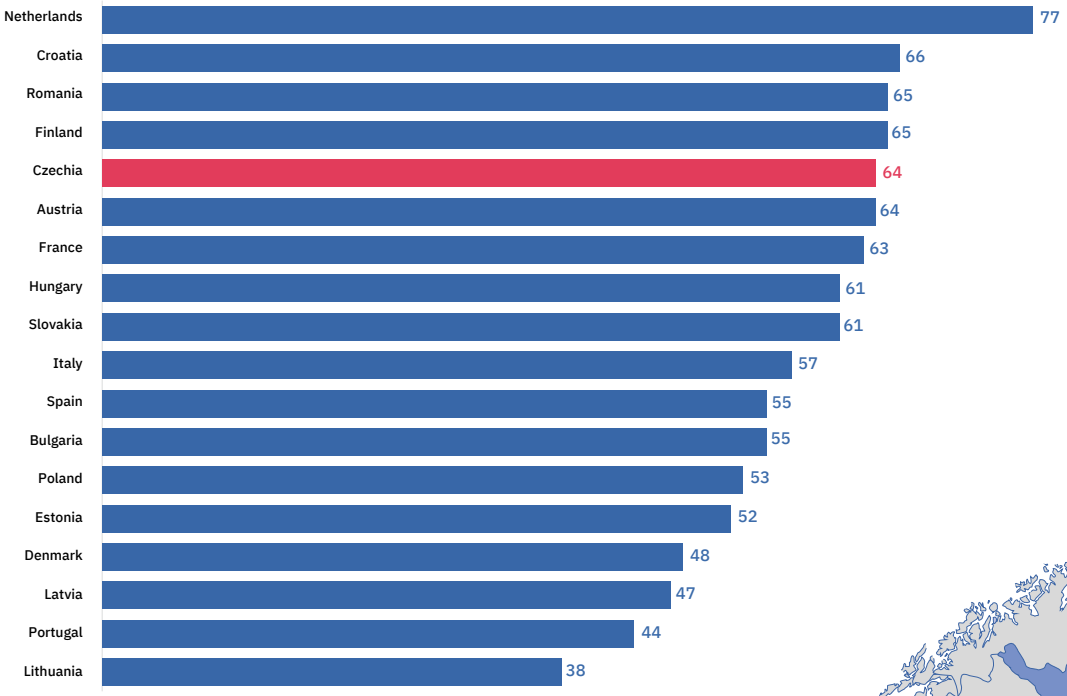


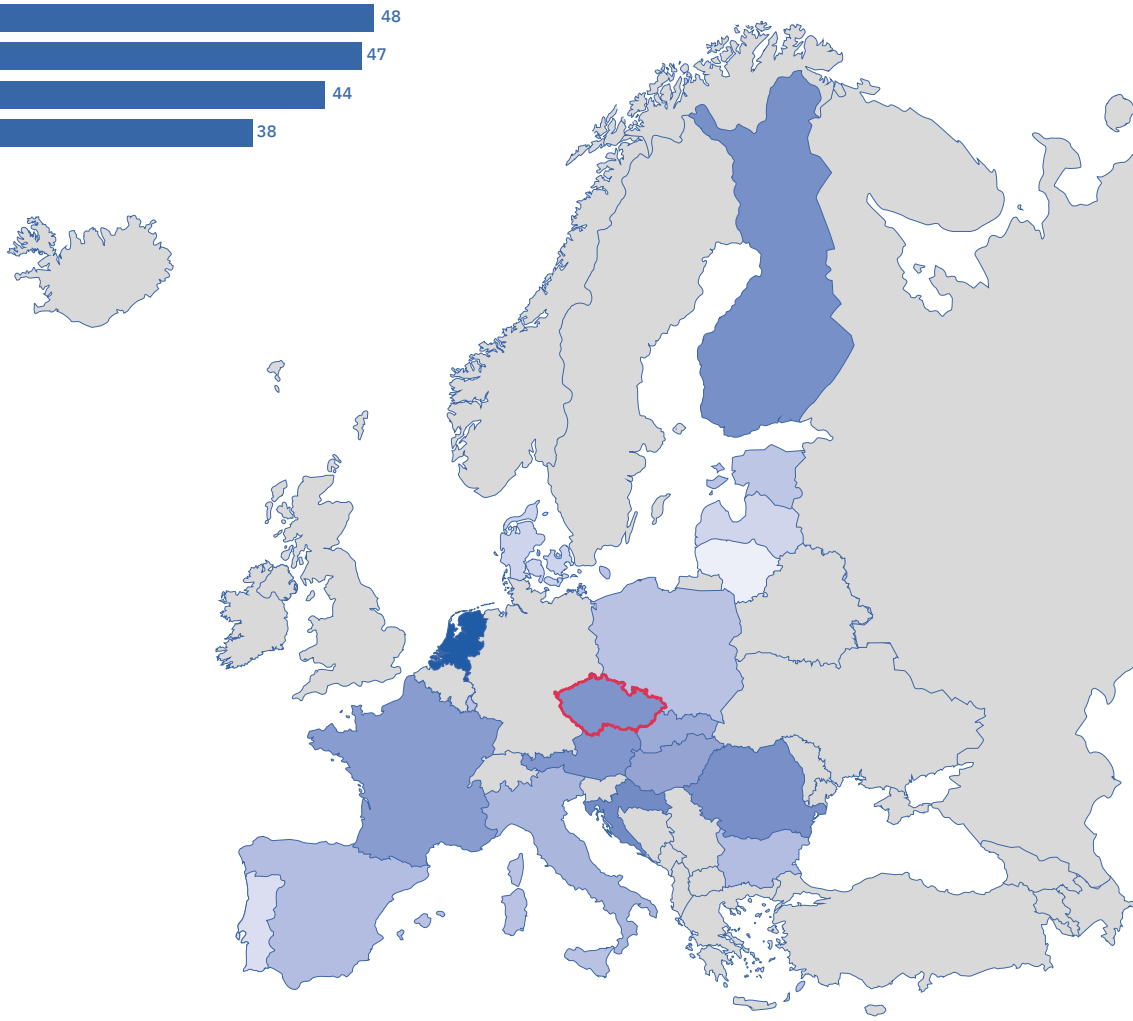
Source: Dealroom 2025

[3] AVG, later AVAST, was acquired by Norton, or GEN

The survival rate of start-ups three years after their founding is an important indicator of the stability and success of new enterprises. Within the European Union, Czech start-ups excel in this area. As shown in Figure 9, the percentage of Czech start-ups that survive three years after their establishment is extremely high compared with other EU countries. Dutch start-ups are the leaders among EU countries in this indicator. This result was recorded during the most recent EU monitoring in 2020. The high survival rate reflects a strong entrepreneurial culture, effective support mechanisms and the ability of Czech start-ups to adapt to market conditions.

Figure 9: Start-up Survival Rate



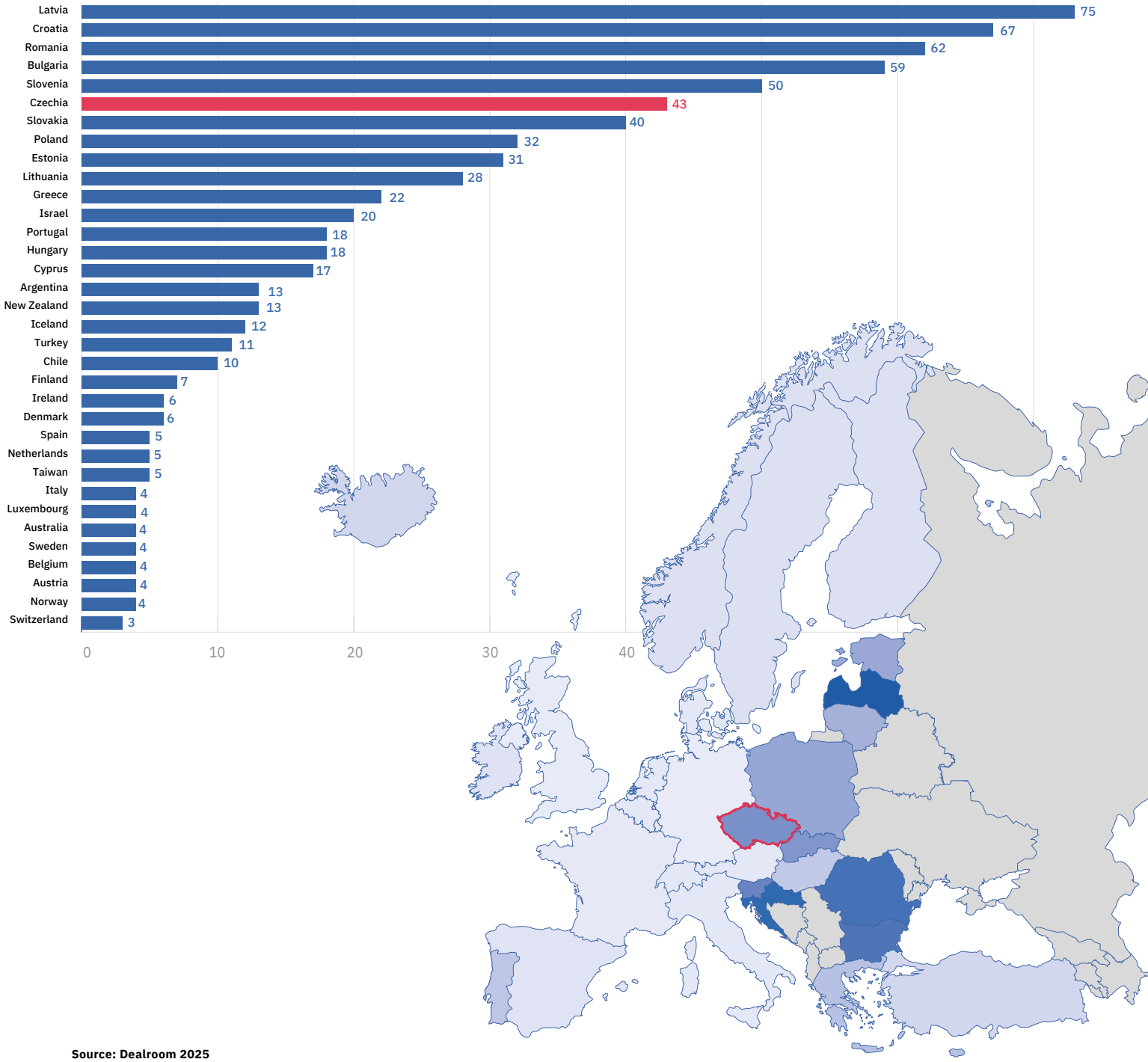


Source: Dealroom 2025

Another of the important aspects of the start-up world is their ability and willingness to relocate their business abroad. This decision can be a key factor in the future growth and success of a company. Relocating to a larger and more developed market such as Silicon Valley, London or Berlin can give start-ups access to more funding, better infrastructure, talented professionals and new business opportunities. However, this move is not without its risks and challenges — start-ups must be prepared for costly relocation, cultural differences and competition in the global market. Nevertheless, successful international expansion can increase their value, attract investors and strengthen their position within the global ecosystem.

Figure 10 shows the ranking with the percentage of start-ups valued at over USD 50 million that relocated abroad. European countries dominate the top of this ranking, which may be the result of the EU's single market allowing the free movement of people, goods, services and capital. However, Czech start-ups most often relocate to the United States. A total of 42% of start-ups from Czechia have relocated abroad. In Croatia, the figure is 67%, and the most start-ups relocating abroad (75%) come from Latvia. It is worth noting that start-ups from Central and Eastern Europe dominate this ranking. There may be three main reasons for this. One is the size of the market in which the start-up operates. The second factor that can play a role is the support and conditions that Central and Eastern European countries provide to their start-ups. The third factor is prestige. Where a start-up is headquartered can influence how it is perceived by investors, customers and partners. For example, start-ups based in prestigious locations such as Silicon Valley, London or New York may be perceived as more innovative and attractive to investors.

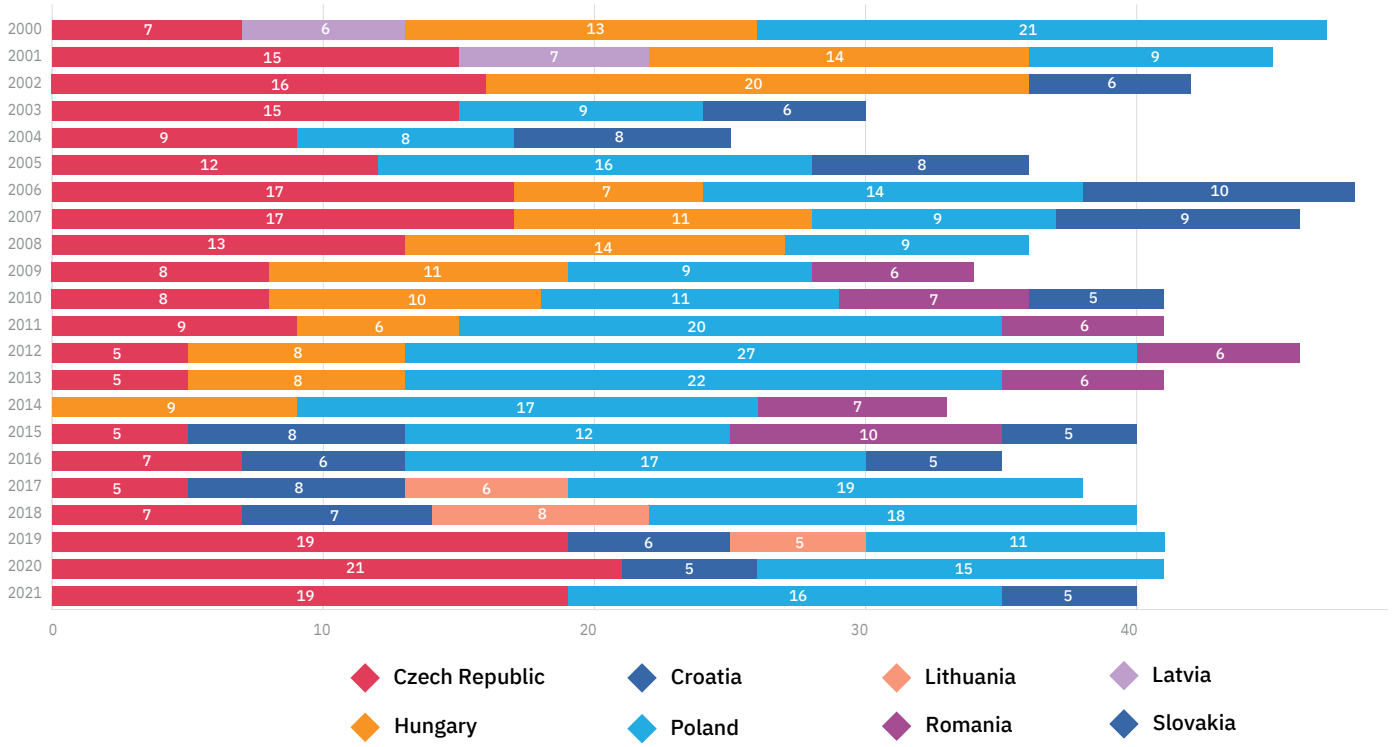
Figure 10: Emigrating Start-ups Valued at Over USD 50 Million



Source: Dealroom 2025

To compare start-ups across Central and Eastern Europe, data from the Deloitte Technology Fast 50 were selected. This is a recognised global programme supporting the fastest-growing technology companies in the Central European region. Prusa Research, DoDo, Kiwi.com, STRV, Driveto, Livesport and FTMO — all these companies have passed through the programme and have made their mark on the Czech as well as the international technology and business scene. Figure 11 shows how many start-ups from the individual countries have appeared in the Deloitte Technology Fast 50 since 2000. In recent years, Czechia has led in the number of start-ups in the ranking, with 19 in 2019, 21 in 2020, and 19 again in 2021. Czechia is one of the fastest growing innovators in Europe, but still only achieves a moderate innovator status in the European Innovation Scoreboard — for more details, see RIS3 Monitoring: V08 — The European Innovation Scoreboard (EIS).[4]

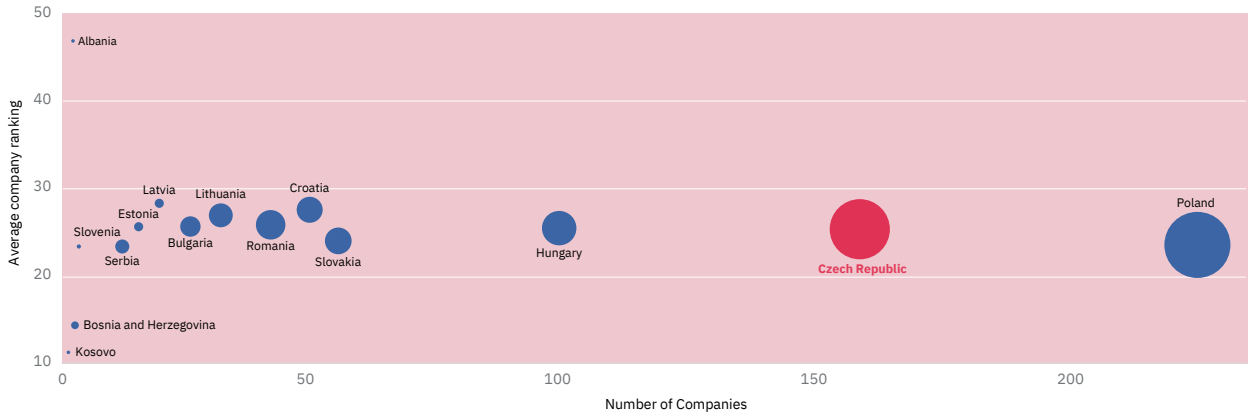
Figure 11: Countries with 5 or More Companies Ranked in the Deloitte Technology Fast 50 in 2000—2021



Source: CzechFounders, prepared by CzechInvest 2025

Figure 12 compares countries in the Deloitte Technology Fast 50 according to the number of companies and average ranking of start-ups from a given country. Since 2020, Poland has had the highest number of ranked start-ups (230), with an average position of 24th place. Czech start-ups have a similar average ranking position, with 167 start-ups appearing in the ranking during this period. Companies from Hungary, Slovakia and Croatia are also regularly placed. In terms of the best average positions, according to the chart, Kosovo leads the way, although it had only one start-up in the ranking over the entire period, which ranked 11th. In the above start-up indicators, Estonia often ranks at the top, and not only in Europe. However, the country has had only 12 start-ups in the Deloitte Technology Fast 50 since 2000.

Figure 12: Countries by the Number and Ranking of Companies in the Deloitte Technology Fast 50



Source: Deloitte Technology Fast 50, prepared by CzechInvest 2025

[4] RIS3. (2022). *The European Innovation Scoreboard (EIS).* https://www.ris3.cz/monitoring/indikatory/v08-the-european-innovation-scoreboard-eis

Funded Start-ups

Overview of the Most Significant Funded Start-ups in Czechia with the Amount of Investment

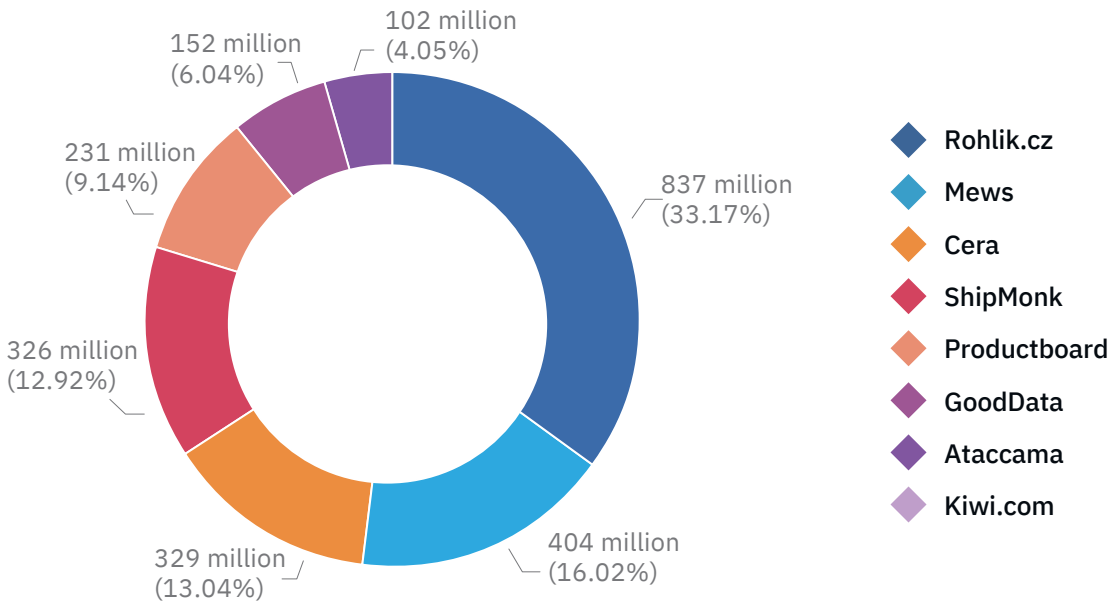
Investment in start-ups is essential for their growth and success. These investments often take the form of venture capital, which provides financial support in the early stages of development, when start-ups are not yet able to generate sufficient revenue from their own activities. Investors see potential for innovation and high returns in these companies. The funding allows start-ups to invest in research and development, expand their teams, improve products and services, and penetrate new markets. Significant investments in Czech start-ups such as Cera, ShipMonk or Rohlik.cz demonstrate investors' confidence in their ability to grow and succeed in the global market.

Largest Funding for Czech Start-ups

- **Cera:** EUR 312,336,000 (4 funding rounds)
- **ShipMonk:** EUR 259,773,300 (3 funding rounds)
- **Rohlik.cz:** EUR 220,000,000 (9 funding rounds)
- **Mews:** EUR 172,466,300 (9 funding rounds)
- **Atacama:** EUR 142,000,000 (1 funding rounds)

The impact of these investments on the start-ups themselves is multifaceted. In addition to financial support, start-ups also gain access to valuable contacts and experience of investors, who often provide advisory and strategic support. This relationship can help start-ups overcome various challenges and accelerate their growth. Moreover, high levels of investment increase the prestige and appeal of start-ups for other potential investors, partners and customers. Successful funding can also signal a healthy and dynamic business environment, which can attract additional innovative projects and talent to the region. Overall, investment in start-ups is a crucial factor for their long-term success and growth, and thus contributes to the development of the entire technological ecosystem.

Figure 13: Czech Companies with the Highest Funding (EUR)



Source: CzechFounders, prepared by CzechInvest 2025

Total Funding for Start-ups

Rohlik.cz has received a total of EUR 836,708,642 in funding, enabling it to expand and improve its services. This funding came in several rounds and allowed Rohlik.cz to become a major player in the online grocery market.

Mews, which received EUR 404,167,309, used the funds to expand its hotel management software, contributing to its international growth and strong market position. This investment, involving several rounds of funding, supported its technological development and expansion.

Cera raised EUR 328 884 000, enabling it to expand its home care and medical technology services. These funds were key to its ability to provide quality care and expand into new markets.

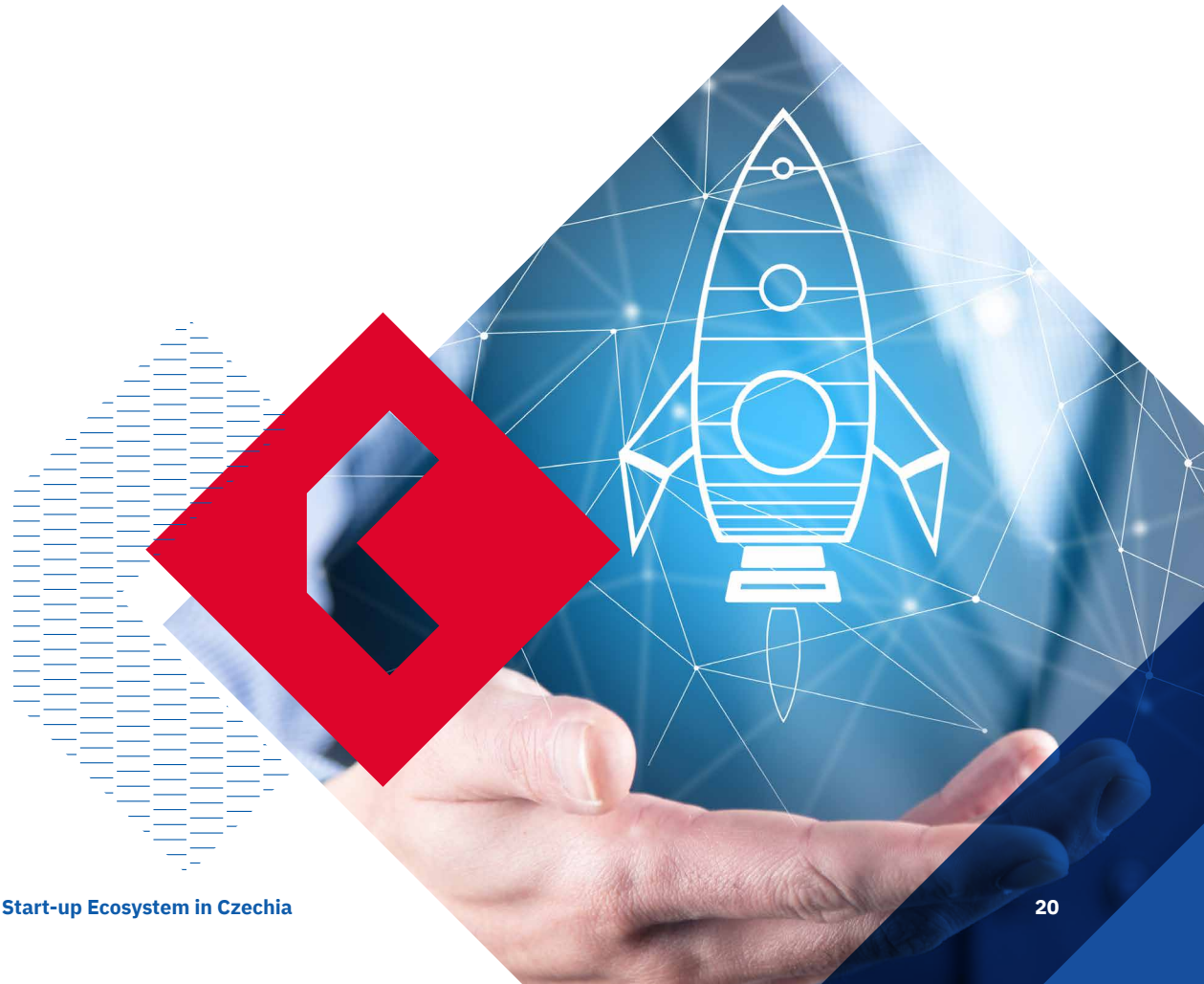
ShipMonk obtained EUR 325,894,300 of funding, which it used to expand its logistics and warehousing services. This investment enabled ShipMonk to improve its technology and expand its operations globally.

Productboard raised EUR 230,507,600, which was used to develop its product management platform. These funds enabled the company to improve tools that help companies manage and develop their products more effectively.

Figure 14: Five Most Highly Funded Companies

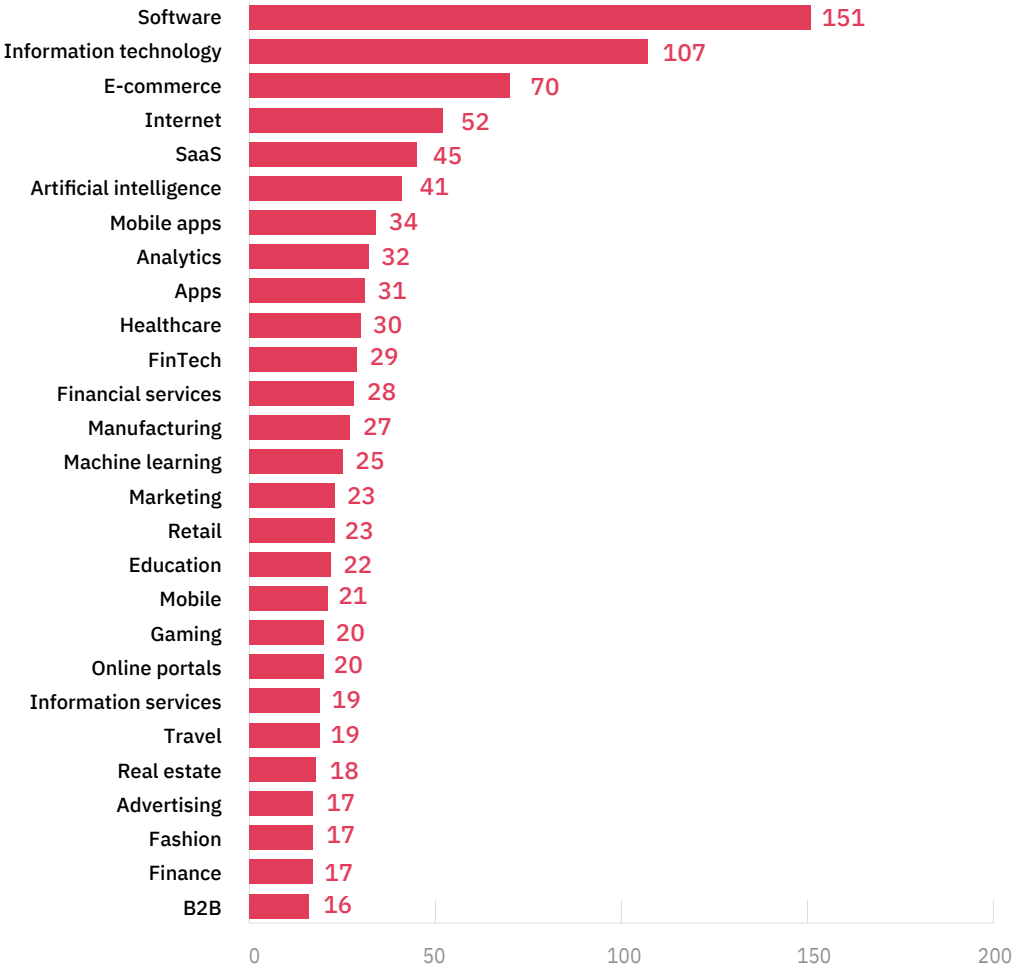
Company	Funding (EUR)
Rohlik.cz	836,708,642
Mews	404,167,309
Cera	328,884,000
ShipMonk	325,894,300
Productboard	230,507,600

Source: CzechFounders, prepared by CzechInvest 2025



Overall, these investments not only helped individual start-ups grow and expand, but also played a part in the development of a technological ecosystem that fosters innovation and attracts new talent and projects to the region.

Figure 15: Number of Funded Start-ups by Sector Since 2010



Source: Dealroom 2025

Sources of Start-up Investment

Sectors with the Greatest Investor Interest

Figure 15 shows the sectors in which funded start-ups operate. The most common sectors are software development and information technologies. These are followed by start-ups that focus on e-commerce, SaaS, artificial intelligence and mobile applications.

Venture Capital

Venture capital funds are one of the most important sources of funding for start-ups. These funds raise capital from investors and focus on investing in fast-growing businesses with high return potential. There are several active venture capital funds in Czechia specialising in different areas, such as technology, healthcare and energy. The aim of venture capital funds is not only to provide funding, but also to help start-ups with development, strategic planning and expansion into new markets.

Business Angels

Business angels, or angel investors, are individuals who invest their own money in start-ups in exchange for a stake in the company. These investors often bring not only money, but also valuable experience, contacts and advice, which can be crucial to the success of a start-up. In Czechia, there are several business angel networks that connect investors with promising entrepreneurs. Business angels are typically willing to take higher risks than traditional investors, making them an important source of funding for start-ups.

Crowdfunding

Crowdfunding is a modern way of raising funds that harnesses the power of the internet and social media. Through crowdfunding platforms, start-ups can reach a wide audience and request financial support for their projects. There are several popular crowdfunding platforms in Czechia that allow entrepreneurs to present their ideas and obtain funding from individual donors. Crowdfunding can be particularly useful for projects with an innovative or socially beneficial focus, as it allows them to directly reach people interested in supporting such initiatives.

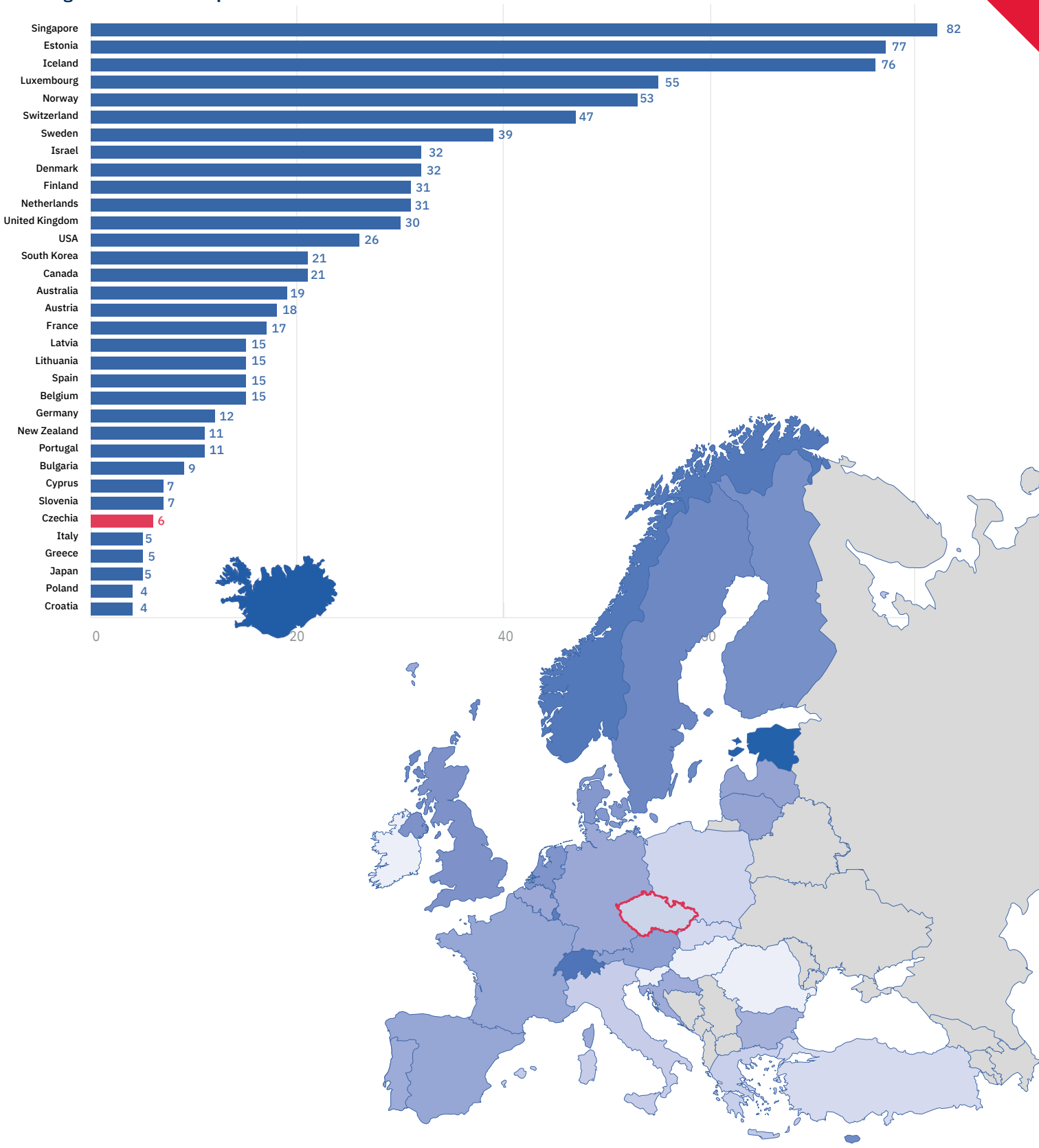
Government Programmes

The Czech government and various state institutions offer several programmes and grants to support start-ups. These programmes are designed to facilitate access to finance for new businesses and to promote innovation and economic growth. The most significant include programmes run by CzechInvest, the Technology Agency of the Czech Republic and the Ministry of Industry and Trade. These programmes provide not only funding, but also expert consultancy, mentoring and access to research and development capacity.

In Czechia, start-ups have a wide range of funding sources at their disposal, including venture capital, business angels, crowdfunding and government programmes. Each of these offers specific benefits and can be crucial for the growth and success of new businesses. The choice of a suitable source of funding depends on the specific needs and goals of the start-up, as well as its stage of development. Combining several sources of investment can often yield the best results and ensure long-term sustainability and business growth.

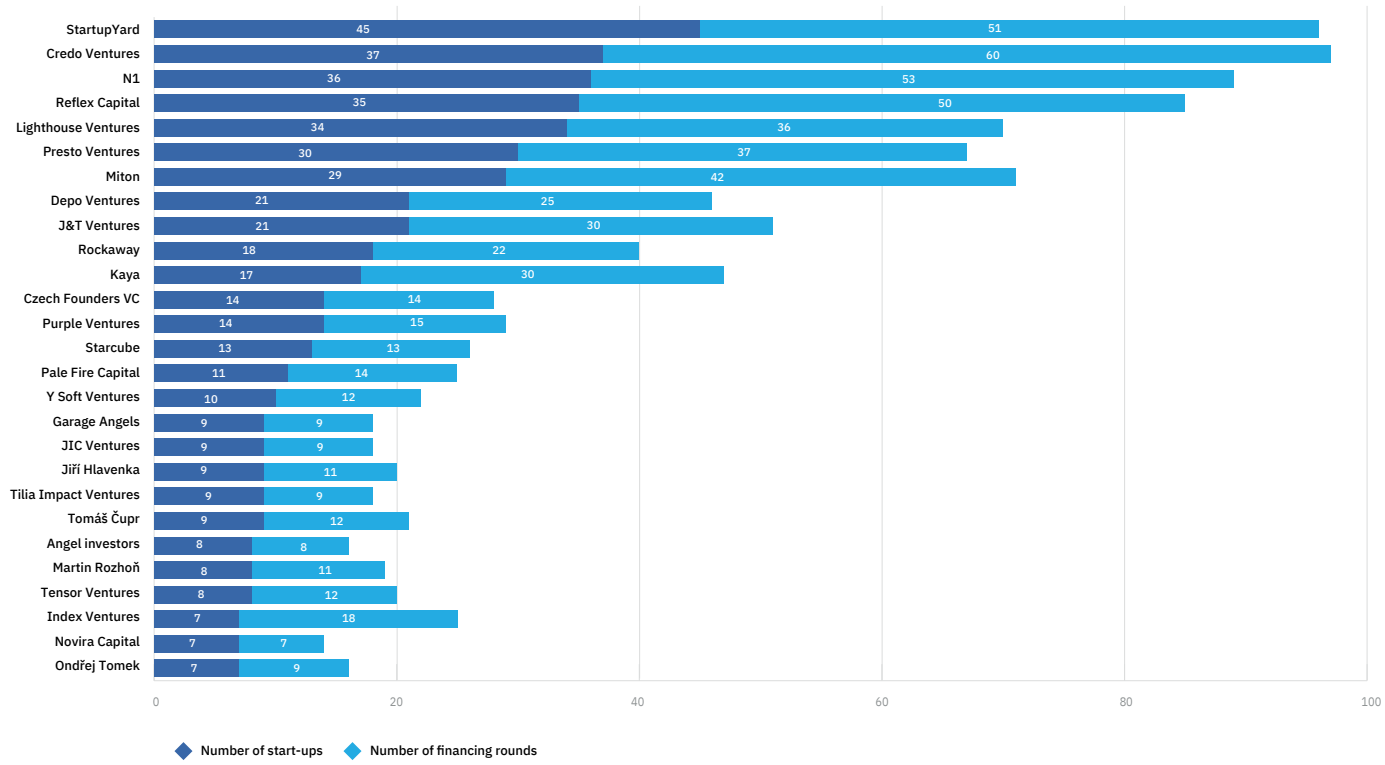
Figure 16 presents a benchmarking comparison of countries by the number of venture capital investment rounds in 2023 per 1 million inhabitants. The results are very similar to other start-up indicators, such as the number of start-ups founded or the number of start-up unicorns. Singapore, Estonia and Iceland also came out on top in this area. Czechia ranks 30th, behind Latvia, Lithuania, Portugal, Cyprus, Slovenia and Bulgaria.

Figure 16: Venture Capital Investments in 2023 — Number of Rounds



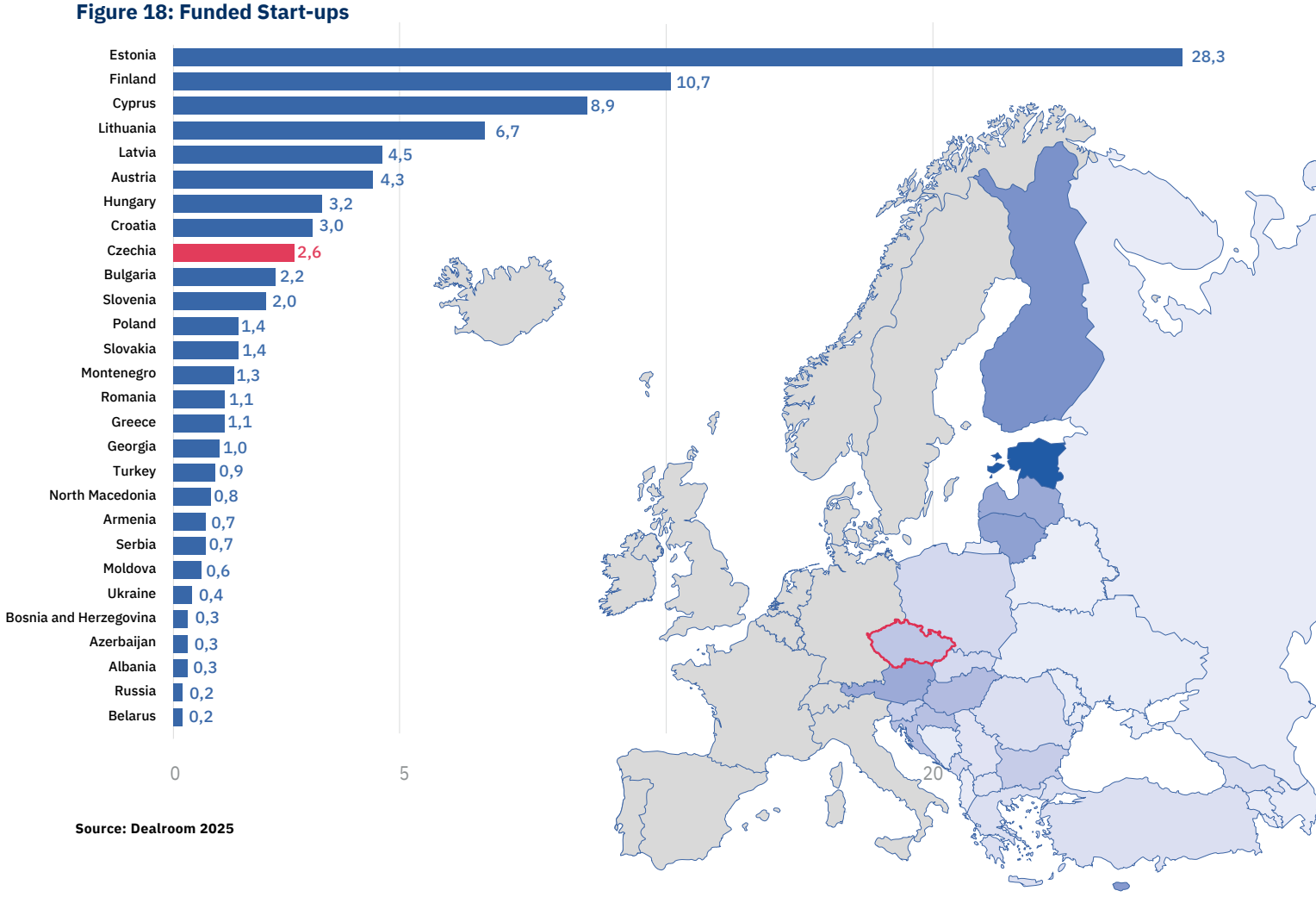
Source: Dealroom 2025

Figure 17: Overview of Active Venture Capital Funds and Investors in Czechia



Source: Dealroom 2025

Figure 18: Funded Start-ups



Source: Dealroom 2025

Start-up Valuations and Exits

A start-up exit, i.e. its acquisition or merger with another company, is often considered the peak moment in a start-up's life cycle. Exits allow founders, investors and employees to obtain a financial return for their efforts and investments.

Start-up exits can take various forms, including acquisitions by larger companies, mergers with other companies or entry to the stock market via an IPO (Initial Public Offering). Acquisitions by larger companies are common when corporations see added value in a start-up, such as innovative technology or access to a new market. Mergers allow start-ups to combine their resources and know-how with other companies to achieve greater scale and competitive advantage. An IPO is an option for start-ups with high growth potential that want to raise capital from public investors and strengthen their market position.

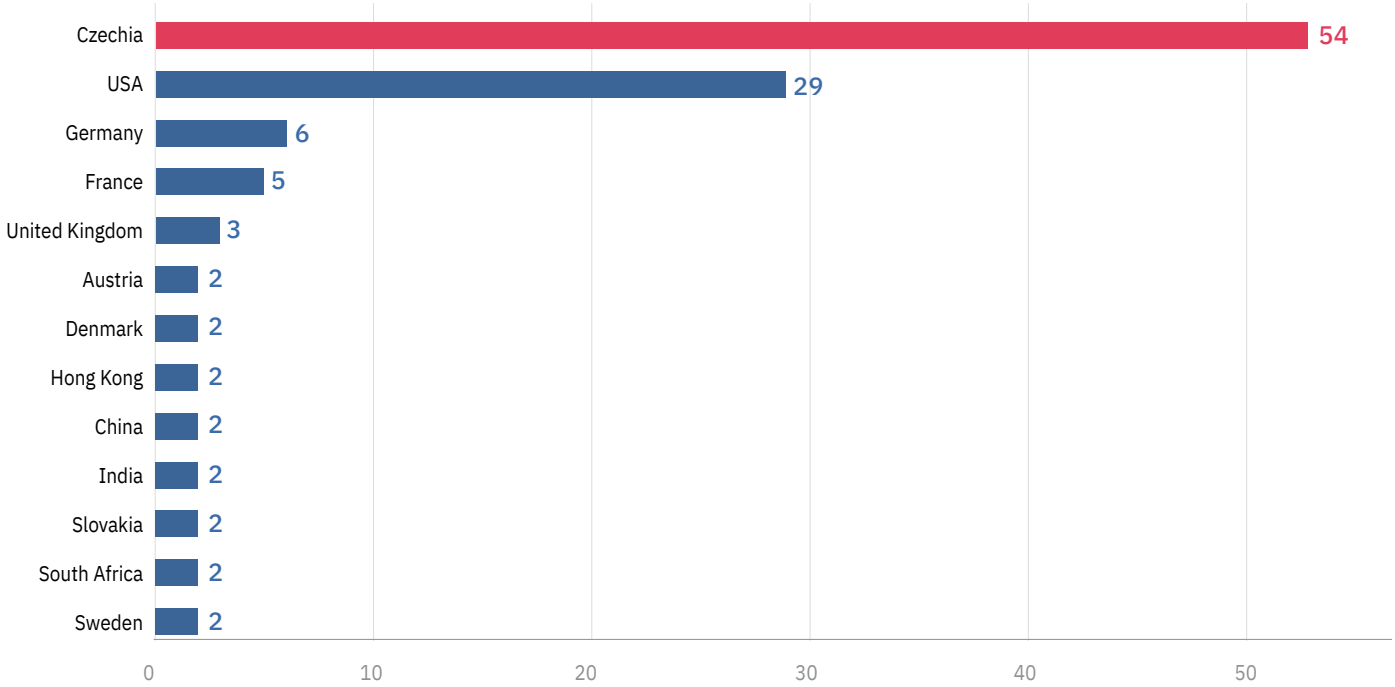
The importance of start-up exits lies not only in their financial benefits, but also in their impact on the innovation ecosystem. Successful exits motivate other entrepreneurs to establish new start-ups because they see the potential for significant returns. Investors who get a return on their investment are more inclined to invest in further early-stage start-ups, which drives the overall growth and dynamism of the start-up environment. Moreover, exits often lead to the development of new technologies and services that can have a positive impact on society and the economy as a whole. Figure 19 provides an overview of thirty exits with the highest valuation within the Czech start-up ecosystem. Most frequently, these are exits to Czechia (54) and the United States (29). Germany, France and the UK also play a role, but only accounting for single-digit numbers of Czech start-ups (Figure 20).

Figure 19: Exits of Czech Start-ups

Start-up	Exit Valuation (EUR)	Buyer	Age of Start-up at Exit
Avast	7,560,000,000	NortonLifeLock	34
AVG	1,140,000,000	Avast	27
Mall.cz	940,000,000	Allegro	22
Zásilkovna (packeta)	323,690,000	CVC Capital Partners, Emma Capital	14
Around	250,000,000	Miro	4
Mall.cz	230,000,000	Naspers	12
Alter (facemoji)	200,585,500	Google	6
Sapho	190,117,700	Citri	5
Manta	142,000,000	IBM	9
Kiwi.com	135,000,000	General Atlantic	7
Socialbakers	120,000,000	Astute	7
Webnode	120,000,000	Team.blue	13
Netbrokers Holding	100,000,000	Bauer Media	3
Integromat	100,000,000	Celonis	9
Heureka	100,000,000	Rockway	9
Mall.cz	100,000,000	Rockway	16
Centrum.cz	100,000,000	Warburg Pincus	–
Twisto	99,250,000	Zip Co	8
Invia	84,500,000	CEFC	16
Melown	80,000,000	Leica Geosystems	5
Invia	80,000,000	Rockway	16
Apiary	70,000,000	Oracle	6
Slevomat	64,000,000	Secret Escapes	8
Beat Games	60,000,000	Facebook	2
Memsource	55,000,000	The Carlyle Group	11
Bohemia Interactive	52,000,000	Tencent	22
Ytica	45,000,000	Twilio	2
Warhorse Studios	42,800,000	Koch Media	8
Smartlook	42,000,000	CISCO SYSTEMS	7
Webglobe	39,614,863	Group.one	24

Source: CzechFounders, prepared by CzechInvest 2025

Figure 20: Number of Exits of Czech Start-ups by Country



Source: CzechFounders, prepared by CzechInvest 2025

Scale-up and Spin-off Start-ups

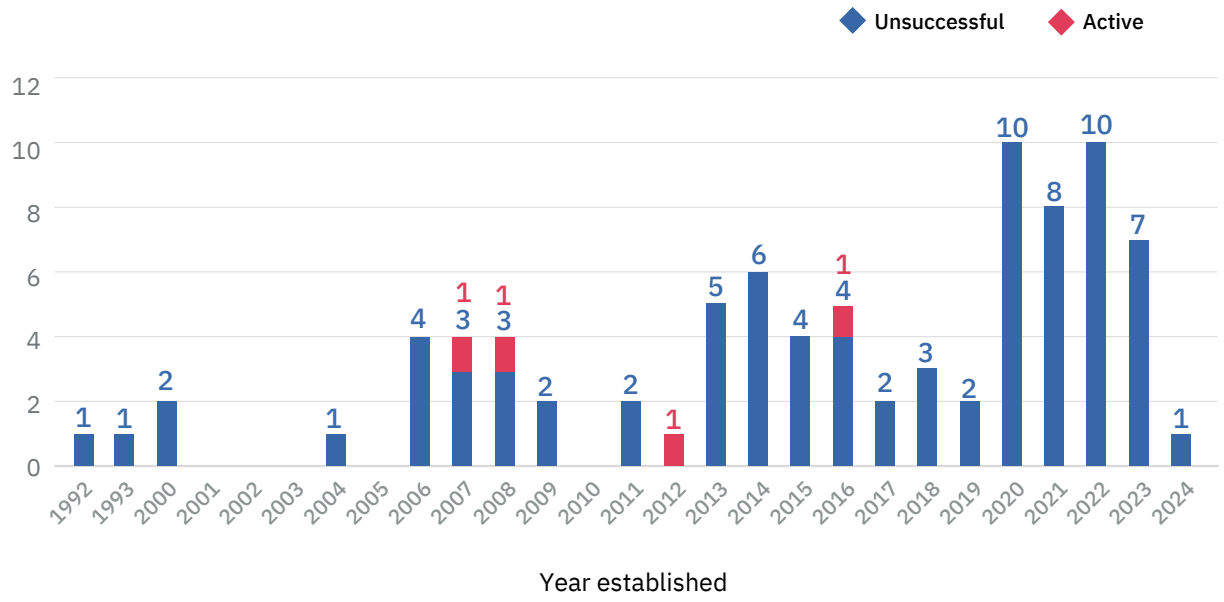
Scale-up start-ups are businesses that have already moved beyond their initial growth phase and are showing steady growth in revenue, customer base or other key performance indicators. This growth is often accompanied by increased investor interest and expansion into new markets. Scale-up start-ups are characterised by their ability to rapidly scale their business, which includes not only increasing sales and production volumes, but also expanding their teams and optimising processes to keep pace with demand.

Spin-off start-ups, on the other hand, are created by separating from a parent company that provides the initial technology, know-how or resources. The aim of spin-offs is to utilise innovation potential and bring new products or services to the market, often with the support of the original company. Spin-off start-ups can benefit from the existing infrastructure and experience of the parent company, enabling them to enter the market faster and better position themselves against competitors. However, they may also face challenges related to maintaining their own identity and independence, particularly if the original company continues to play a significant role in their strategy and funding.

Both types of start-ups boost the dynamism and development of the start-up ecosystem by introducing new innovations and opportunities for economic growth. Scale-up start-ups show how long-term sustainability and success can be achieved in the global marketplace, while spin-off start-ups illustrate how existing resources and expertise can be effectively leveraged to create new value.

In Czechia, there were 91 active academic spin-offs in 2024, of which 17 had received investment. Of these, 85 have an ownership stake held by a HEI or PRI, and the average ownership share of these institutions is 37%. Figure 21 shows their historical development, indicating a significant increase from 2020 onwards. Until 2013, only a few new start-ups were established each year. Most spin-offs originated at Masaryk University (18), Brno University of Technology (12), Palacký University Olomouc (11) and Charles University (8).

Figure 21: Development of Academic Spin-offs in 1992—2024



Source: Mosh, Rydvalová, 2024. Database of Czech Academic Spin-offs

Conclusion

The analysis shows that the Czech start-up ecosystem shows considerable dynamism and growth potential, as evidenced by the number of successful exits and the development of scale-up and spin-off start-ups. The primary strengths of the Czech start-up environment include a high level of innovation, the ability to adapt to new markets and a strong community of entrepreneurs and investors who support the development of new enterprises. The presence of technological universities and research centres also fosters the creation of a strong expert base and innovative projects.

Although the Czech economy has been slightly stagnant in recent years, the start-up environment is developing dynamically. Between 2018 and 2022, the number of start-ups and employment within them increased by a third, and the average salary in start-ups increased by 35%. By comparison, the average salary in the Czech economy rose by 26% over the same period. Funding for start-ups has also increased many times over. The Czech share of European start-up funding reached 2% in 2022, double the Czech economy's share in the European economy.

Weaknesses include limited access to financial capital, particularly in the early stages of start-up development, and a relatively low level of internationalisation. The Czech market is constrained by its size, which forces start-ups to look for opportunities abroad, where they often face strong competition and challenging conditions. Legislative and administrative support also needs to be improved so that start-ups can develop faster and acquire the necessary resources.

Czechia faces several challenges and opportunities in the area of start-ups. It lags behind in the Start-up Nations Standards, achieving only 35% compared to the European Start-up Nations Alliance (ESNA) average of 55%. The SNS include eight key areas in which start-ups should excel, and Czechia lags behind in seven of them. The process of establishing start-ups is slower in Czechia compared to other countries, which requires that administrative processes be simplified and accelerated to support the growth of new enterprises.

Another challenge is attracting and retaining talented specialists, which is also one of the horizontal priorities of the National RIS3 Strategy.[5] It is important to create an attractive working environment and offer competitive conditions for international talent. Regulatory innovation is also necessary to make the regulatory framework more innovation-friendly. Improving legislation and removing bureaucratic barriers can support faster start-up growth. Start-ups have limited access to public procurement, which restricts their growth opportunities. Improving the transparency and accessibility of public procurement for start-ups could open up new opportunities (Impact Report 2023, Czech Founders).

For the further development of the Czech start-up ecosystem it is recommended to:

- Strengthen access to funding: create new programmes and funds to support start-ups in the early stages of their development and facilitate their access to venture capital.
- Support internationalisation: create initiatives to help start-ups expand into foreign markets, for example through international accelerators and incubators.
- Improve the legislative and administrative environment: simplify processes related to the establishment and development of start-ups, reduce bureaucracy and create more favourable conditions for doing business.
- Support education and training: invest in entrepreneurship and innovation training programmes that will prepare future generations of entrepreneurs for the challenges of the global market.

Overall, the Czech start-up ecosystem has a strong foundation and room for growth, but it requires targeted support and investment to fully exploit its potential and further the country's economic development and, in line with the National RIS3 Strategy and its aim of increasing the competitiveness of the economy. The start-up environment has gradually become an integral part of the Czech economy and is more important than the general public may realise. This is a highly dynamic environment that is sometimes difficult to fit into established categories. It is precisely this dynamism and flexibility that will potentially put increasing pressure on the state and its regulations, for example regarding the labour market or taxation, including labour taxation.

[5] RIS3. (2022). *Horizontal Priority: People and Smart Skills.* https://www.ris3.cz/o-ris3/narodni-dimenze/priority/prurezove-horizontalni-priority/horizontalni-priorita-lide-a-chytre-dovednosti

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