

Luxembourg Venture Capital

THE ULTIMATE GUIDE FOR FUNDING YOUR STARTUP

VC GUIDE

2025

VOL. 2



BY SILICON LUXEMBOURG WITH SUPPORT FROM
LPEA AND LUXINNOVATION

Why LPEA?

**Our mission is to advance
Private Equity and Venture
Capital in Luxembourg.**



With 650+ members, LPEA plays a pivotal role in shaping Luxembourg's investment landscape, fostering innovation, and positioning the country as a leading hub for private markets in Europe and beyond.

**Whether you are a VC,
investor, or service
provider in the alternative
investment space, join
LPEA to be part of a
dynamic community that
connects ideas, capital,
and opportunities.**



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Introduction

Welcome to LUXEMBOURG VENTURE CAPITAL: The ultimate guide for funding your startup, published by Silicon Luxembourg with support from Luxinnovation and LPEA. This guide is intended as a compass for startup founders navigating the funding landscape in Luxembourg.

Over the past decade, Luxembourg has steadily built its reputation as more than just a financial centre. What began with a handful of early-stage tech firms has grown into an ecosystem of more than 600 startups, supported by a growing number of incubators, accelerators, and public-private initiatives.

In 2025 the ecosystem shows increasing momentum

- There are more than 160 AI-focused startups, representing over 22% of the startup base, making Luxembourg both a creator and adopter of AI innovation.
- Public commitment is expanding: in March Luxembourg announced a €300 million financing scheme, together with a 10-point plan to support early-stage firms, scaleups, sectoral incubators (in healthtech, space, sustainable tech, fintech), and to improve legal and financial incentives for founders and employees.

- Investor interest continues to grow. According to Sifted, in 2023 alone, Luxembourg's startups and scaleups raised around €151 million through funding rounds.

This guide builds on that history and current momentum. Inside, you'll find profiles of startups who have successfully raised capital, legal insights essential to getting the details right, a full directory of VCs active in Luxembourg as well as other useful resources.

Whether you are preparing to raise your first round or planning to scale up, this guide is here to help you understand the funding paths available and to connect you with the actors who can help make it happen.

Jess Bauldry

Editor-in-Chief Silicon Luxembourg

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IN PERSON



6-7

**UNDERSTANDING YOUR
FUNDRAISING NEEDS**

8-9

**VENTURE CAPITAL
EXPLAINED**

10-30

FIND A VC

32-33

**LEGAL
CONSIDERATIONS**

34-35

**THE ROLE OF FAMILY
OFFICES IN FUNDRAISING**

36-37

**HOW ANGEL INVESTORS
FILL THE STARTUP
FUNDING GAP**

38-39

**LUXEMBOURG GRANTS
AND SUBSIDIES**

40-42

**RESOURCES IN THE
LUXEMBOURG ECOSYSTEM**

44-45

**FUNDRAISING:
THE PARTAO METHOD**

46-47

**FUNDRAISING:
THE ARTEC3D METHOD**

UNDERSTANDING YOUR FUNDRAISING NEEDS

Figuring out how much capital you need is one of the most important early decisions for a founder. If you raise too little, you risk running out of money before you hit meaningful milestones; if you raise too much too early, you give away more equity than necessary.

Here's a step-by-step guide to assess your needs.

1. DEFINE MILESTONES

Why: Investors fund progress, not just survival. You need to know what goals you must achieve before your next round (or before reaching profitability).

Example of milestones:

- Build and launch MVP
- Acquire first 1000 users or €50K MRR
- Secure regulatory approval
- Reach break-even revenue

2. TRANSLATE MILESTONES INTO RESOURCES

- **Team needs:** What roles are essential (e.g., 2 engineers, 1 designer, 1 sales)?
- **Tech/ops costs:** Hosting, tools, software licences.
- **Go-to-market costs:** Marketing, sales efforts, customer acquisition.
- **Other overhead:** Legal, accounting, office (if needed).

3. BUILD A FINANCIAL MODEL

Timeframe: Usually plan for 18–24 months runway long enough to hit milestones without being forced to raise too soon.

- **Forecast expenses:** Salaries, infrastructure, marketing, general and administrative expenses.
- **Revenue (if any):** Be conservative.
- **Cash flow projection:** Identify monthly burn rate and total cash required.

4. ADD A BUFFER

Things always cost more and take longer than expected. Add a 20–30% buffer to your projected capital needs to protect against delays or underestimation.

5. CONSIDER FUNDRAISING STRATEGY

- **How much equity are you comfortable giving up?**
Early rounds typically dilute 10–25%.
- **Investor expectations:** Different investors have different check sizes (e.g., angel round vs. VC seed).
- **Signalling:** Asking for too little can make you look unambitious; asking for too much without justification can hurt credibility.

6. BACK-CHECK AGAINST MARKET NORMS

Compare your ask with similar startups at your stage and industry. For example:

- **Pre-seed:** €50–€300K
- **Seed:** €300K–€1.5M
- **Series A:** €2M–€5M

8. DECIDE ON “NEED VS. NICE-TO-HAVE”

- **Need-to-have capital:** Minimum to achieve the next milestone credibly.
- **Nice-to-have capital:** Additional money that accelerates growth or reduces risk but isn't strictly required.



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7. ALIGN FUNDING TYPE WITH BUSINESS STAGE & GROWTH PLAN

Stage	Funding Type(s) to Prioritise	Why
Idea/Pre-seed	Grants, accelerators, angels, convertible notes	Too early for debt; equity/grants are realistic
Seed	Equity VC, angel syndicates, public co-funding (e.g. SNCI)	Build MVP, validate market; investors expect dilution
Early Growth	Larger VC rounds (€1M–€5M), venture debt (select cases)	Revenue starts, funding expansion; hybrid possible
Scale-up	Growth equity, venture debt, bank loans	Predictable revenue supports debt; equity for global expansion
Mature	Private equity, strategic investors, traditional loans	Lower risk profile, stable cash flow

CONVERSATION	PRESIDENT OF THE LUXEMBOURG PRIVATE EQUITY & VENTURE CAPITAL ASSOCIATION (LPEA)
HIND EL GAIDI	



HIND EL GAIDI, PRESIDENT OF THE LUXEMBOURG PRIVATE EQUITY & VENTURE CAPITAL ASSOCIATION (LPEA), EXPLAINS HOW “CAPITAL IS JUST THE STARTING POINT” FOR THE WORK THAT VENTURE CAPITAL FIRMS DO.

HOW VENTURE CAPITAL CAN HELP YOUR STARTUP

WHAT DO VC FIRMS DO?

At their core, VC firms connect capital with innovation. They raise funds often from institutional investors, pension funds, family offices or high-net-worth individuals and invest in companies with high-growth potential.

Over time, they work closely with the entrepreneurs to accelerate growth. The investment horizon is usually long-term often seven to ten years since it takes time for new companies to mature and achieve liquidity events, such as acquisitions or IPOs.

VCs usually charge a management fee to cover operating costs, and they earn what's called "carried interest" when the fund's investments perform well. It's as much about sharing risk as sharing upside.

WHAT HAVE BEEN THE MOST IMPORTANT RECENT CHANGES TO THE INDUSTRY?

The most striking change has been the sheer scale of the VC ecosystem. Global fundraising has grown, even if recent macroeconomic conditions have created some headwinds.

Another shift is sectoral. Ten years ago, venture capital was heavily concentrated in consumer internet and software. Today, climate tech, health tech, deep tech and defence are attracting significant capital. AI, of course, is reshaping the landscape as both an investment theme and a tool for investors themselves.

WHAT ARE THE BIGGEST MISCONCEPTIONS THAT ENTREPRENEURS HAVE ABOUT VCS?

One common misconception is that VCs only provide money. In reality, capital is just the starting point. The real value lies in strategic advice, connections to potential customers and partners and guidance on scaling internationally.

Another misconception is around timelines. Founders may assume that once a VC invests in them, they can expect instant results or immediate follow-on funding. But venture investing is about building sustainable growth.

Finally, some entrepreneurs worry that VCs want to "take control" of their companies. While it's true that investors often ask for board seats or certain rights, the goal is alignment, not takeover. The healthiest VC-entrepreneur relationships are partnerships based on trust and a shared vision for long-term success.

LOOKING AHEAD 3-5 YEARS, WHAT CHANGES DO YOU SEE COMING?

The next few years will likely bring both opportunities and challenges. On one hand, we will continue to see technology-driven disruption AI, quantum computing and green technologies will all create new frontiers for investment. On the other, the funding environment is expected to remain more disciplined compared to the exuberance of the 2015–2020 era.

We can also expect venture capital to become more global. Luxembourg, with its international orientation, is well placed to serve as a gateway for this trend.

Another change is the growing role of corporate venture capital. Large companies are investing strategically in startups, not just for returns but to stay at the forefront of innovation.

Bullhound Capital

FUND NAME	BullhoundCapital		
WEBSITE	www.bullhoundcapital.com		
CONTACT EMAIL	info@bullhound.com		
CONTACT PERSON	Alek Jakima		
ADDRESS	33 Boulevard Prince Henri, L1724 Luxembourg.		
SECTORS OF INVESTMENT	Applied AI Space	Deep Tech Health	Quantum Robotics
TICKETS	€20 – 30m		
PORTFOLIO COMPANIES	Q-CTRL Multiverse Playtomical	LeoLabs RavenPack ConnexAI	QuantumSystem Spotify EcoVadis Revolut Slack Klarna
TARGET MARKET	Global with European focus		

BxVenture

FUND NAME	BXVentures Climate Tech Fund I
WEBSITE	bxventures.com
CONTACT EMAIL	marc.beaujean@bxventures.com fernand.d@bxventures.com
CONTACT PERSON	Marc Beaujean (Luxembourg GP) Fernand Dimidschstein (Luxembourg GP)
ADDRESS	Courbevoie 13, 1348 Ottignies-Louvain-la-Neuve, Belgium Rue Gabriel Lippmann 1c, 5365 Munsbach - Luxembourg
SECTORS OF INVESTMENT	Climate Technology Sustainability CleanTech
TICKETS	Undisclosed
PORTFOLIO COMPANIES	Undisclosed
TARGET MARKET	Europe and Middle East

Catalpa Venture

FUND NAME	Catalpa Health Fund I SCSp
WEBSITE	www.catalpa.vc
CONTACT EMAIL	info@catalpa.vc
CONTACT PERSON	Catalpa Ventures SARL
ADDRESS	17, Rue de Flaxweiler, 6776 L-Grevenmacher
SECTORS OF INVESTMENT	Early-Stage HealthTech Startups
TICKETS	€300k – 3M
PORTFOLIO COMPANIES	Youth HealthTech Noah Labs (more to come)
TARGET MARKET	Europe

Cycle group

FUND NAME	Cycle Group
WEBSITE	www.cycle-group.com
CONTACT EMAIL	info@cycle-group.com
CONTACT PERSON	Menachem Tabanpour Jérôme Zois. Dr Stéphane Boudon Clelia Beck Dan Choon
ADDRESS	16a Avenue de la Liberté, Luxembourg
SECTORS OF INVESTMENT	DeepTech Semiconductors Energy Efficiency
TICKETS	€1 – 10M
PORTFOLIO COMPANIES	EdgeCortex PTE LTD (Singapore/Japan/USA), Ionate (UK/Austria), Element 3-5 GmbH (Germany), Blue World Technologies (Denmark), Nuventura GmbH (Germany/Singapore/India), Paragon Mobility (France/Switzerland), Evercomm PTE LTD (Singapore), Evercomm EuropeSA (Luxembourg) and e2GaN SA (Luxembourg)
TARGET MARKET	Global with focus on Europe

Encevo

FUND NAME	Encevo
WEBSITE	www.encevo.eu
CONTACT EMAIL	innovation@encevo.eu
CONTACT PERSON	Nicolas Milerieux
ADDRESS	2 Domaine du Schlossgoard L-4321, Esch-sur-Alzette
SECTORS OF INVESTMENT	CleanTech
TICKETS	€500,000 – €2 million
PORTFOLIO COMPANIES	Ampacimon R8 technologies Ewattch Datathings Ampere.Cloud Vireo Ventures Gridio Renewabl.
TARGET MARKET	Europe

Expon Capital

FUND NAME	Expon Capital
WEBSITE	exponcapital.com
CONTACT EMAIL	info@exponcapital.com
CONTACT PERSON	Alain Rodermann Marc Gendebien Jérôme Wittamer Lily Wang
ADDRESS	203, route d'Arlon, L-1150. Luxembourg-Belair
SECTORS OF INVESTMENT	Software
TICKETS	500k – 1m EUR first cheque
PORTFOLIO COMPANIES	Invitrolize Kidola Exobiosphere ClimateCamp Videobot Sympower Cascade Aydo Market Leap
TARGET MARKET	Luxembourg and Europe

Florent Venture Partners

FUND NAME	Florent Venture Partners
WEBSITE	www.florent.vc
CONTACT EMAIL	christian@florent.vc
CONTACT PERSON	Christian Dorffer
ADDRESS	Højbro Plads 12, Copenhagen 1200
SECTORS OF INVESTMENT	Application level AI
TICKETS	Up to €1m
PORTFOLIO COMPANIES	Phoebe AI Listen Labs Deep Media
TARGET MARKET	Northern Europe

Gener8tor

FUND NAME	gener8tor
WEBSITE	www.gener8tor.com
CONTACT EMAIL	eddie@gener8tor.com
CONTACT PERSON	Eddie Olson
ADDRESS	Luxembourg
SECTORS OF INVESTMENT	Industry-agnostic startups driving systemic change and transforming antiquated industries at the corporate, government and community level
TICKETS	€100K investments
PORTFOLIO COMPANIES	625 startups across North America and Europe
TARGET MARKET	Early-stage startups globally, with growing focus on EU-based founders

Ilavska Vuillermoz Capital

FUND NAME	Ilavska Vuillermoz Capital
WEBSITE	ivc.fund
CONTACT EMAIL	investments@ilavska-vuillermoz.com
CONTACT PERSON	Laurent Hengesch Alain Wildanger Quentin Dupraz
ADDRESS	44 rue des bruyeres, L- 1274 Luxembourg
SECTORS OF INVESTMENT	DefenceTech
TICKETS	€1 million – €10 million
PORTFOLIO COMPANIES	Centinus Aerobotics 7 5.0 Robotics N26 Solarid Qonto
TARGET MARKET	Worldwide, Nato-friendly countries

Innotek Ventures

FUND NAME	Innotek
WEBSITE	www.innotek.lu
CONTACT EMAIL	owen.reynolds@innotek.lu
CONTACT PERSON	Owen Reynolds
ADDRESS	23 Rue Aldringen, 1118 Ville-Haute Luxembourg
SECTORS OF INVESTMENT	Advanced Manufacturing New Materials Supply Chain & Logistics, Mobility
TICKETS	\$500,000 – \$2 million
PORTFOLIO COMPANIES	Unchained Robotics N Robotics Flexnode
TARGET MARKET	US & Europe

Karista

FUND NAME	Karista
WEBSITE	www.karista.vc
CONTACT EMAIL	amine.benmoussa@karista.vc
CONTACT PERSON	Amine Benmoussa
ADDRESS	HQ in France. Luxembourg office : Silversquare, 21 Rue Glesener, L-1631, Luxembourg
SECTORS OF INVESTMENT	HealthTech SpaceTech Defense Cyber
TICKETS	€1 – 10m
PORTFOLIO COMPANIES	HealthTech strategy: Incepto Medical Constellr BforeAI RebrAln Implicity SamanTree Medical Cysec RavenPack SpaceTech/Defense/Cyber strategy: Look Up Space
TARGET MARKET	Europe, including the UK and Switzerland

Luxembourg Stock Exchange

FUND NAME	Luxembourg Stock Exchange
WEBSITE	www.luxse.com
CONTACT EMAIL	melvin.goergen@luxse.com
CONTACT PERSON	Melvin Goergen
ADDRESS	35A Boulevard Joseph II, L-1840 Luxembourg
SECTORS OF INVESTMENT	Finance (capital markets, market infrastructure, trading) and RegTech
TICKETS	€1m+
PORTFOLIO COMPANIES	Origin Markets Luxtrust Fefundinfo EuroCTP Tetrao
TARGET MARKET	Capital markets

Mangrove Capital Partners

FUND NAME	Mangrove Capital Partners
WEBSITE	www.mangrove.vc
CONTACT EMAIL	deals@mangrove.vc
CONTACT PERSON	Mark Tluszczycki Hans-Jürgen Schmitz Yannick Oswald
ADDRESS	31, boulevard Joseph II, L-1840 Luxembourg
SECTORS OF INVESTMENT	Software, mobile and digital applications generally, with a particular focus on AI, digital health, data management
TICKETS	Seed, Series A, Series B, €1 - 10 m
PORTFOLIO COMPANIES	Adverity, K Health Sifflet Brainspace Red Points Wix Flo Health Tailorbrands WalkMe
TARGET MARKET	Europe and Israel

MiddleGame Venture

FUND NAME	MiddleGame Ventures
WEBSITE	middlegamevc.com
CONTACT EMAIL	info@middlegamevc.com
CONTACT PERSON	Pascal Bouvier Michael Meyer Patrick Pinschmidt Kanishk Walia
ADDRESS	9, rue du Laboratoire, L-1911. Luxembourg
SECTORS OF INVESTMENT	Fintech, future of assets and transactions, infrastructure in capital markets and asset management, array of technologies applied to financial services (such as quantum, cyber, identity management, web 3)
TICKETS	€1 million – €5 million
PORTFOLIO COMPANIES	Next Gate Tech Fundcraft Circuit Ctrl Alt Wayflyer One Trading Blockpit Nilos Fiona
TARGET MARKET	EU

MountainX

FUND NAME	Mountain X, Aerospace and Dual-Use Defence VC Fund
WEBSITE	www.mountainx.vc
CONTACT EMAIL	partners@mountainx.vc
CONTACT PERSON	Fabrice Testa Philipp Hartmann Marcus Schroeder Conny Boersch Novica Mrdovic-Vianello
ADDRESS	Luxembourg
SECTORS OF INVESTMENT	Aerospace and Dual-Use Defence
TICKETS	€5-10M as a lead investor at Series A
PORTFOLIO COMPANIES	Undisclosed
TARGET MARKET	EU

Newspace Capital

FUND NAME	Newspace Capital Fund SCS
WEBSITE	www.newspace.capital
CONTACT EMAIL	info@newspace.capital
CONTACT PERSON	NewSpace Capital GP SA
ADDRESS	412F, route d'Esch L-1471 Luxembourg
SECTORS OF INVESTMENT	Space and space related industries
TICKETS	Fund is now closed. Fund II planned for Q4 2026-Q1 2027
PORTFOLIO COMPANIES	ICEYE, Kayrros Sifflet Cailabs K2 Space FibreCoa Simera Sense York Space Systems
TARGET MARKET	US and Europe

Nø cap ventures

FUND NAME	nø cap ventures (under "no cap holding" umbrella)		
WEBSITE	www.nocapholding.com		
CONTACT EMAIL	deals@nocapholding.com		
CONTACT PERSON	Felix Hemmerling		
ADDRESS	Luxembourg City, Luxembourg (no walk-ins)		
SECTORS OF INVESTMENT	Technology: AI, ML, SaaS. Finance: Hedge fund, PE fund, funds, fund-of-funds, web3, blockchain, crypto. Real estate: Property development. Creative: Art, event management and hospitality		
TICKETS	Direct investments typically up to €250k. €5m+ when onboarding co-investors from the nø cap ventures ecosystem (lead investors, share deals)		
PORTFOLIO COMPANIES	BlackShip Wagmi GP Kodehyve	Habiata LOA Festival Tailorbrands	Mint studio Qodeq connect2act.
TARGET MARKET	Geography agnostic		

Porsche Ventures

FUND NAME	Porsche Ventures
WEBSITE	www.porsche.ventures
CONTACT EMAIL	pitchdeck@porsche.ventures
CONTACT PERSON	Undisclosed
ADDRESS	Ville Haute, Luxembourg
SECTORS OF INVESTMENT	Industrial tech Energy transition Mobility & beyond
TICKETS	€2 – 4M
PORTFOLIO COMPANIES	Around 40
TARGET MARKET	EU & US

Promus

FUND NAME	Promus Ventures
WEBSITE	promusventures.com
CONTACT EMAIL	info@promusventures.com
CONTACT PERSON	Mike Collett Pierre Festal
ADDRESS	3, Rue de la Reine, Luxembourg, L-2418. Luxembourg
SECTORS OF INVESTMENT	Early-stage Deep Tech
TICKETS	Undisclosed
PORTFOLIO COMPANIES	Cobalt Robotics Spire (NYSE: SPIR) Swift Navigation Gauss Surgical Rocket Lab (Nasdaq: RKLb) Whoop ICEYE Angellist Figure Eight The Exploration Company Mapbox Bellabeat Behavox Halter
TARGET MARKET	USA, Europe, New Zealand

Satgana

FUND NAME	Satgana Fund I SCSp
WEBSITE	www.satgana.com
CONTACT EMAIL	jointhejourney@satgana.com
CONTACT PERSON	Romain Diaz
ADDRESS	7 rue Robert Stumper, 2557 Luxembourg, Grand Duchy of Luxembourg
SECTORS OF INVESTMENT	Climate Tech (energy, mobility, food, agriculture, circular economy, carbon removal, buildings, industry)
TICKETS	€100k to €300k
PORTFOLIO COMPANIES	Sirona Technologies NitroVolt Arda Biomaterials Clevergy Mazi Mobility Wattnow Onima Bio Ark Climate Amini AI PostX AI Loewi Brineworks Kubik Fullsoon Voltiris
TARGET MARKET	Europe & Africa

Vesalius Biocapital

FUND NAME	Vesalius Biocapital IV Partners
WEBSITE	www.vesaliusbiocapital-4.com
CONTACT EMAIL	info@vesaliusbiocapital.com
CONTACT PERSON	Stéphan Verdood Guy Geldhof Jean-Christophe Renondin
ADDRESS	23 Rue Aldringen, 1118 Ville-Haute Luxembourg
SECTORS OF INVESTMENT	Late-stage Biopharma & HealthTech companies
TICKETS	\$500,000 – \$2 million
PORTFOLIO COMPANIES	Heparegenix Nutrium inHeart Inflammatix Enyo Cognivia
TARGET MARKET	Europe

Innovation

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- Digital Transformation
- Strategic Advisory
- Startup-Focused Tax & Accounting
- One-Stop-Shop

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LEGAL AND REGULATORY CONSIDERATIONS

Luxembourg's rightful reputation as a great place to build a business in Europe is rooted in an adaptable legal and regulatory framework for fundraising. Below are some key features and considerations.

THE COMPANY LAW

Luxembourg's collection of business rules and regulations, the Company Law, sets out the types of entities that can be formed, which dictates how funds can be raised. The table below summarises the main types of companies and features of each.

FROM INITIAL FUNDRAISING TO GROWTH STAGE

- **SARL-S (Société à Responsabilité Limitée Simplifiée):** minimal startup capital and simple structure, but not suitable for external investors.
- **SA (Société Anonyme):** can issue different share classes and be listed on stock exchanges, but more extensive disclosure requirements.
- **SCA (Société en Commandite par Actions):** attractive for private equity structures, but more complex in structure.

INVESTMENT FUNDS

- **SIF (Simplified Investment Fund):** Designed for institutional investors, but not open to retail investors.
- **SICAV (Société d'Investissement à Capital Variable):** Attractive to retail investors, but specific to funds activities.

PRIVATE PLACEMENTS

While Luxembourg has no specific rules on the private placing of securities, general principles of law apply, as do anti-money laundering and know-your-customer regulations. For issuers, important considerations include providing accurate and non-misleading information about the securities and placement process, and treating all investors equally (e.g., access to the same information). They must also avoid their private placements qualifying as public offerings (e.g., requiring undertakings from investors that they are acting for their own account and not reselling the securities to the public).

WHERE TO GET LEGAL ADVICE

Pro Bono Luxembourg Association is a non-profit organisation dedicated to providing free legal services to individuals and entities in need.

Legalfinder.lu is an online service that allows clients to book an appointment with a lawyer

House of Entrepreneurship (Chamber of Commerce) is a one-stop shop for new business creation, including advice on incorporation, licensing, taxes, corporate/legal basics.

Pulse is the Luxembourg startup federation. Among its members are experienced entrepreneurs who can mentor and share best practices in relation to fundraising.



LEVERAGING INTELLECTUAL PROPERTY

Luxembourg offers tax advantages for patents, trademarks and other IP that make it attractive for IP-rich companies seeking funding. Under certain conditions, net income from IP acquired or created as of 1 January 2008 benefit from an 80% tax exemption. To leverage those advantages and also meet potential investors' due diligence requirements when it comes to IP—companies should consider the following:

- Documenting ownership or proper licensing of all IP, including any transfers from founders to the company.
- Protecting all IP before fundraising.
- Ensuring the company isn't infringing on third-party IP.
- Considering Luxembourg's tax regime when structuring IP holding arrangements
- Seeking support and guidance from the Institute for Intellectual Property Luxembourg (IPIIL).

COMMISSION DE SURVEILLANCE DU SECTEUR FINANCIER (CSSF)

As Luxembourg's financial regulator, the CSSF maintains requirements for companies raising funds which vary depending on the fundraising method and structure. The CSSF also supervises investment firms, management companies, alternative investment fund managers and crowdfunding service providers.

CSSF penalties or fines can follow from such fundraising missteps as:

- **Disclosure violations:** inadequate or misleading information in investment materials.
- **AML/KYC failures:** insufficient due diligence on funding sources
- **Unauthorised activities:** conducting regulated fundraising without proper authorisation.
- **Market conduct violations:** unfair practices during the fundraising process.

THE ROLE OF FAMILY OFFICES IN FUNDRAISING

Pascal Rapallino, President of the Luxembourg Association of Family Offices (LAFO), talks about the role that family offices play in Luxembourg.

FOR THOSE UNFAMILIAR WITH THE CONCEPT, WHAT EXACTLY IS A FAMILY OFFICE?

A family office is a structure created to serve one family (single-family office or SFO) or several wealthy families (multi-family office or MFO) with the aim, among other things, of managing the family's assets by addressing its legal, regulatory, tax and financial issues. This structure also aims to preserve the family's assets and pass them on from generation to generation.

WHAT LEVEL OF WEALTH TYPICALLY JUSTIFIES ESTABLISHING A FAMILY OFFICE VERSUS USING OTHER WEALTH MANAGEMENT SOLUTIONS?

The size of the estate is not the only criterion for determining whether the family needs to set up its own SFO or whether it can have its assets managed by a MFO, for example. Other criteria must also be taken into account, such as the desire for total independence, the complexity of the assets, the complexity of the needs and the number of generations involved in governance. However, if we had to give a figure, I would say assets in excess of €500 million.

WHY DO WEALTHY FAMILIES CHOOSE TO ESTABLISH THEIR FAMILY OFFICES IN LUXEMBOURG RATHER THAN OTHER CENTRES LIKE SWITZERLAND OR LONDON?

The main reasons are as follows:

- Strong legal and political stability and an excellent financial reputation
- A central location in Europe and access to the EU market
- A highly developed international network of tax treaties
- A very favourable legal framework and flexible, optimised structures and vehicles for preserving wealth

WHAT ARE THE KEY REGULATORY REQUIREMENTS FAMILY OFFICES FACE IN LUXEMBOURG, AND HOW HAS THE REGULATORY LANDSCAPE EVOLVED IN RECENT YEARS?

There are no specific regulations governing the establishment of a SFO in Luxembourg that would manage a single family's assets. For MFOs, the regulations were defined by the law of 21 December 2012, which governs the activities of MFO services. The law reserves the exercise of MFO activities to certain professionals, which means that you must belong to one of these professional categories or apply for specific authorisation from the CSSF in order to be entitled to carry out MFO activities.

WHAT TRENDS ARE YOU SEEING IN HOW THE NEXT GENERATION OF WEALTHY FAMILIES WANTS TO STRUCTURE AND OPERATE THEIR FAMILY OFFICES?

The next generation is becoming increasingly influential in decisions and management of family wealth. This is reflected in major trends, particularly in terms of investments compatible with ESG (Environmental, Social and Governance) and a different approach to philanthropy. There is also strong digitalisation and increasing use of AI. Investments are more focused on venture capital, with a stronger emphasis on co-investment and club deals. There is a particularly strong desire to institutionalise the family-office approach. Multi-generational governance is also being put in place to reduce conflicts and preserve the family's mission of preserving wealth. Lastly, there is geographical flexibility. The new generation is more nomadic.

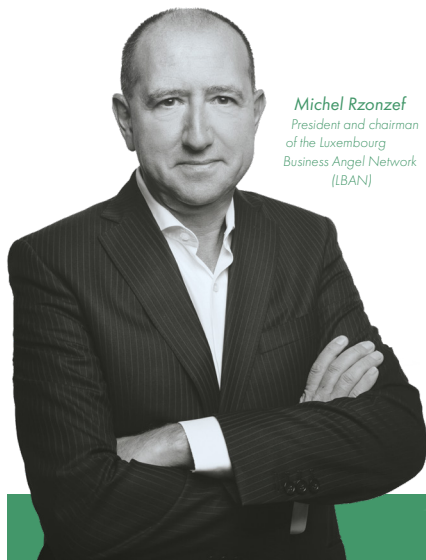


Pascal Rapallino
*President of the Luxembourg
Association of Family Offices
(LAFO)*

HOW ANGEL INVESTORS FILL THE STARTUP FUNDING GAP

The business starts with an idea to meet an unfilled need in the market. Time and work is committed to prove it works and people will find enough value to buy. But after initial funding from family and friends runs dry, it's usually too small and risky for institutional players to touch.

However, if founders can prove they have something real that is ready – or almost ready – to be sold, startups may turn to so-called angel investors for their critical first outside capital.



Michel Rzonzeff
President and chairman
of the Luxembourg
Business Angel Network
(LBAN)

"If you look at the dimension of the money invested, the first big amount going to a startup is very often public money - grants, research. And the second one in terms of money to come after is the business angel," said Michel Rzonzeff, president and chairman of the Luxembourg Business Angel Network (LBAN), an organisation that quietly pumps essential fuel into the Grand Duchy's entrepreneurial engine.

WHAT IS AN ANGEL INVESTOR?

Angel investors are wealthy people who invest their own money into startup ventures and take a piece of ownership in the business. They prepare the way for the next stage, which may involve venture capital firms that invest other people's money and often demand some level of operational control. "The role of the business angel is to help the company confirm its product/market fit and create some traction," Rzonzeff explained. "We open doors, we mentor, we bring some notions of governance, so the company can be prepared for the next round of investment. This is not to be neglected. It's not just capital."

Mentoring can involve coaching a young company's founders in how to talk to an investor and knowing what kind of details they will need to hear, he said. This guidance proves critical for founders navigating corporate sales cycles or preparing for the work needed to persuade further rounds of investment.

MENTORING FOR GROWTH

One of Rzonzeŕ's experiences was with a startup that had a very good, technical product but struggled to reach corporate customers.

"I had the company understand how a corporation will think about procurement," he recalled, with the startup needing to tailor its pitch to different people wanting different information to fulfil their job obligations.

The internal dynamics at a corporation vary between "the people who need the product, versus the people who take the decision, versus the people who are paying. You need to understand how to navigate through that," Rzonzeŕ said.

LBAN investors have backed companies in sectors from digital solutions, food tech, health, space and defence, "but it is true that B2B businesses, software-based, are the highest interest for investors today," Rzonzeŕ said.

About half of the portfolio of businesses in which LBAN investors have supported continue surviving beyond five years, Rzonzeŕ estimates.

€57M
INVESTED IN
STARTUPS
SINCE 2016

LBAN's members made €57 million in startup investments since 2016. In return, LBAN investors generally get between 1% and 5% of equity in a young company, Rzonzeŕ said. "Not more than that. We are not there to take control," he said.

TAX SHELTER

Investors also benefit from tax breaks. Belgium has a tax shelter worth 30% or 45% of the amount invested in new companies, according to BeAngels, a Brussels-based angel network that also invests in Luxembourg and France. The group provides back-office services and coordination to its 500 members, who have invested in hundreds of companies.

In 2025, the Luxembourg government introduced legislation granting a 20% income tax credit on investments of at least €10,000 in eligible start-ups. Any founder with a minimal viable product can approach LBAN directly, though often they are referred by incubators with which they are working, local accelerators like House of Startups and Technoport, or by contacts abroad, Rzonzeŕ said.

"People can reach out to get financing from us, providing that the startup exists, and that it is already testing the product on the market," he said.

The organisation reviews the business and presents vetted opportunities to roughly 170 individual members each month.

"We propose it to all our members, and they decide if they want to invest," Rzonzeŕ said.

The ones which draw interest might get a handful to a dozen individual angels investing, committing €25,000 to €50,000 each, for a total of between €150,000 and €300,000.

Rzonzeŕ's advice to prospective angels: **"Make sure that you realise that this is a high-risk investment, and that you are not dependent on that specific amount you want to invest, in the short-term."**

GRANTS AND SUBSIDIES FOR LUXEMBOURG STARTUPS.

BEYOND PRIVATE-SECTOR FUNDING SOURCES SUCH AS VENTURE CAPITAL FIRMS, LUXEMBOURG ALSO BOASTS A RANGE OF GOVERNMENT-COORDINATED FINANCIAL SUPPORT FOR STARTUPS OF ALL STRIPES.

FIT 4 START

Administered by Luxinnovation, Luxembourg's national innovation agency, Fit 4 Start offers up to €150,000 equity-free grants from the Ministry of the Economy, divided into three tranches (€50,000, €80,000 and €20,000). The programme includes intensive coaching over 6 months, as well as mentoring and access to key networks. It's open to startups that are no older than 5 years and have at least two people, one of whom is working full-time and able to participate in Fit 4 Start activities. Registration opens in the summer.

FIRST-TIME BUSINESS STARTUP GRANTS

The government offers €12,000 in total support, delivered as monthly payments of €2,000 over six months, to entrepreneurs launching their first business in Luxembourg's trade and craft sectors. Recipients must be micro-enterprises (fewer than 10 employees and annual turnover or balance sheet total of €2 million or less) that are less than six months old and have a commercial lease or property title. Application information is available via myguichet.lu.

SME LOANS FROM SOCIÉTÉ NATIONALE DE CRÉDIT ET D'INVESTISSEMENT (SNCI)

Luxembourg's public banking institution for small and medium enterprises, SNCI grants mid- and long-term loans to foster investment and innovation with low-interest rates that are designed specifically for startup needs. The bank is dedicating €300 million over five years for strategic sectors that include cybersecurity, deeptech and sustainability.

R&D AND INNOVATION SUBSIDIES

Up to 50% in co-funding is available from Luxembourg's Ministry of the Economy to encourage companies to carry out research and development and innovation activities in Luxembourg. An 18% tax credit is also possible for digital innovation initiatives. Expert consulting subsidies are available to help startups access specialised business advice.

LUXEMBOURG FUTURE FUND

The current Future Fund initiative, LFF 2, is a €200 million investment programme between SNCI and the European Investment Fund (EIF) that is designed to stimulate the diversification and sustainable development of the Luxembourgish economy. It focuses on scaling Luxembourg based companies with international ambitions, via funding for venture capital and private equity funds as well as early to later-stage startups.

SPACE SECTOR FUNDING

Leveraging Luxembourg's leadership in commercial space activities, dedicated financial networks and funding resources are offered specifically to space technology startups. Funding sources include LuxIMPULSE, the national space programme which is funded by the Luxembourg economy ministry with involvement from the European Space Agency. More information is available from the Luxembourg Space Agency.

SECTOR-SPECIFIC PROGRAMMES

Additional funding is available for sustainability-focused ventures, fintech innovation and circular economy initiatives aligned with Luxembourg's strategic economic priorities. All programmes are administered through Luxinnovation and coordinated under the Startup Luxembourg initiative.

Applications typically require a business plan, financial projections and demonstration of innovation potential or job creation impact.

USEFUL RESOURCES FOR STARTUPS

FEDERATIONS AND NETWORKING ASSOCIATIONS

Silicon Luxembourg: Online and physical publication for startups, organising Startup Aperos, regular after-work networking events.

Pulse: Luxembourg's leading independent startup association, representing over 300 startups and scaleups across the country. Supported by the Ministry of the Economy, Pulse serves as the collective voice of founders, advocating for a startup-friendly environment and fostering connections within the ecosystem

GOVERNMENT AGENCIES AND OTHER SUPPORT

EUROPEAN SPACE RESOURCES INNOVATION CENTRE (ESRIC)

A European center of excellence for scientific, technical, commercial, and economic aspects promoting commercial initiatives and startups in the space resources sector through research and development.

LUXEMBOURG INSTITUTE OF GOVERNANCE (ILA) STARTUP & SCALEUP COMMITTEE

A multi-industry association organising events, workshops, and interactive sessions around startup governance: using board structures, roles of non-executive directors, good governance practices in high-growth environments.

LUXINNOVATION

Luxembourg's national innovation and research agency whose dedicated startups division provides tailored support for innovation, R&D guidance, internationalisation, and startup growth.

HOUSE OF ENTREPRENEURSHIP (HOE)

Operated by the Luxembourg Chamber of Commerce, it provides guidance on company creation, access to funding, and offers various services to support entrepreneurs throughout their business journey.

LUXEMBOURG SPACE AGENCY (LSA)

A government agency facilitating strategic and financial support to private companies, startups, and organisations in the field of space exploration, particularly those working on asteroid mining and other space-related activities.

MINISTRY OF THE ECONOMY (MECO)

Offers financial incentives such as Fit4Start (via Luxinnova-tion), Digital Tech Fund (via Expon Capital), and grants for innovative startups, as well as infrastructure support.

SOCIÉTÉ NATIONALE DE CRÉDIT ET D'INVESTISSEMENT (SNCI)

State-backed institution providing financing support for startups through loans, guarantees, and investment schemes.

INCUBATORS, ACCELERATORS, AND VENTURE BUILDERS

LIST VENTURES: (LUXEMBOURG INSTITUTE OF SCIENCE AND TECHNOLOGY)

A deep-tech venture builder supporting scientists and entrepreneurs from lab stage to spin-off creation.

HIVE

Standing for Health, Innovator and Ventures, a pan-European network connecting startups, investors, researchers, and other key players to accelerate innovation in the health sector. Located at the House of Biohealth, its mission is to foster collaboration and provide expert guidance to help healthtech ventures and projects thrive within Luxembourg and across Europe.

TECHNOPORT

A national technology incubator group spanning several sites including in Esch-Belval and Foetz. Technoport offers infrastructure, prototyping, fablab, coaching, and hosting for innovative startups.

AUTOMOBILITY INCUBATOR

State-of-the-art facility in the Automobility Campus in Bissen, managed by Technoport, that offers startups, scale-ups, spin-offs, SMEs and international companies in the mobility sector access to R&D labs, workshops, office & conference space, technical infrastructure, networking and coaching to develop sustainable and smart mobility solutions.

HOUSE OF BIOHEALTH (HOBH)

An incubator and science park focused on life sciences, biotech, medtech, and healthtech, providing labs, offices, and R&D infrastructure.

LUXEMBOURG HOUSE OF FINANCIAL TECHNOLOGY (LHOFT)

A fintech innovation hub offering incubation, co-working, mentoring, regulatory access, and industry connections. Flagship accelerators include CATAPULT: Inclusion Africa.

HOUSE OF STARTUPS (HOST)

An innovation campus run by the Chamber of Commerce hosting multiple incubators and accelerators with co-working and community services.

LUXEMBOURG CITY INCUBATOR (LCI)

A generalist incubator located within the House of Startups offering space, advice, and training for early-stage companies.

GENER8TOR LUXEMBOURG

A 12-week accelerator program (once or twice a year) supporting EU-region startups with mentorship, seed capital, corporate & investor connections.

FOUNDER INSTITUTE LUXEMBOURG

A global pre-seed accelerator helping founders with founding ideas through first steps to building a fundable startup, via structured program & network.

SOCIAL BUSINESS INCUBATOR (SBI / TOUCH BASE)

Government-initiated programme focused on social and impact-driven entrepreneurship, offering advice, training, workspaces and guidance to build and sustain social businesses

INNOVATION HUB DUDELANGE

A regional initiative supporting startups and SMEs in the southern part of Luxembourg, offering co-working spaces, networking opportunities, and access to local resources to foster innovation and entrepreneurship.

ORANGE FAB BELGIUM & LUXEMBOURG

A corporate accelerator programme by Orange, focusing on startups in the ICT sector, offering mentorship, access to Orange's network, and potential collaboration opportunities within the telecommunications industry.

THE VILLAGE BY CA

A startup accelerator and innovation hub backed by Crédit Agricole, offering entrepreneurs mentorship, funding connections, and collaborative spaces to scale their ventures.

3FVENTURE STUDIO

A Luxembourg-based startup studio that develops and scales digital ventures aimed at simplifying business operations for small and medium-sized enterprises (SMEs) across Europe.

PWC'S ACCELERATOR

A programme by PwC Luxembourg offering startups access to financial expertise, business advisory services, and networking opportunities to help them grow and navigate the complexities of scaling a business.

TOMORROW STREET

A global innovation center and accelerator backed by Vodafone and the government of Luxembourg, focusing on startups in the IoT and digital sectors, providing access to Vodafone's network, resources, and international market reach.

UNIVERSITY OF LUXEMBOURG STARTUP INCUBATOR

Supports early-stage research-based startups by providing office space, mentorship, access to labs and university expertise, and guidance to help transform academic research into viable commercial ventures.



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PARTAO CEO ALEX OOTES IS PICTURED WITH
COO VIRGINIA STRONG

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**FOUNDED BY TWO FORMER AMAZON EXECS,
THIS MACHINERY PARTS E-COMMERCE STARTUP
IS ALREADY MAKING NOISE RAISING €3 MILLION
JUST MONTHS AFTER LAUNCH. COO VIRGINIA
STRONG EXPLAINS.**

THE PARTAO METHOD

EARLY TRACTION: YOU HAD JUST LAUNCHED WHEN YOU RAISED €3M WHAT DID YOU SHOW INVESTORS SO EARLY THAT GAVE THEM CONVICTION?

Virginia: We had created a pilot marketplace with 300K SKUs which showed high SEO and customer traction. However, we found that investors were more interested in 1) Who we Were (Our Team slide moved to the first slide in our presentation), and 2) the Market size (> 250B+, which was a larger than the market of a similar company in a similar space that was raising their 20M Series B round amongst a similar group of investors).

INVESTOR STRATEGY: HOW DID YOU DECIDE WHICH INVESTORS TO APPROACH, AND WHAT WAS YOUR METHOD FOR GETTING THEIR ATTENTION SO QUICKLY?

At first, we talked to all of our VC contacts, but then we tailored it back to ensure we only talked to VCs who invested in both Pre-seed and Marketplaces/SaaS businesses. We were very lucky getting attention as VCs started to come to us. Two key enablers here were 1) Stealth StartUp status on LinkedIn. It lets partners and analysts bulk search on LinkedIn and 2) my name was printed in a news blog about hot new founders, which proved a very successful inbound channel.

Once you receive terms sheets, it is important to do due diligence on your investors. We did calls with current and past companies of our potential lead investors. The feedback was telling and this was the main reason we ended-up with Mangrove as our lead investor (Our experience has been 100pct in-line with the feedback we received).

PITCHING: WAS THERE A PARTICULAR NARRATIVE OR FRAMING OF PARTAO'S VISION THAT YOU FOUND REALLY RESONATED?

It was challenging to resonate with VCs as very few knew about the agricultural industry - or even the more common spare parts automotive market. So, we pivoted and leaned on what they did know - marketplace and SaaS, IP in Data, and why the big names in ecommerce wouldn't touch a tail market. When we coupled the "What" with the "Who" and the size of the market, VCs were engaged.

MOMENTUM BUILDING: YOU RAISED 4X YOUR ORIGINAL TARGET IN JUST 6 WEEKS — HOW DID YOU CREATE URGENCY AND COMPETITION AMONG INVESTORS?

We learned a lot during our fundraiser! It was challenging, exciting, and required us to pivot. The hardest part is getting that first offer, the first term sheet. I'd highly recommend striving for that. Just 1. All you need is 1. Once you have 1, the rest will follow.

PRACTICAL ADVICE: LOOKING BACK, WHAT ARE THE TOP 2-3 TACTICS YOU'D RECOMMEND TO ANOTHER FOUNDER TRYING TO RAISE FASTER AND BIGGER THAN EXPECTED?

Look at fundraising as a sales funnel, you need to have a lot of leads at the beginning to end-up with multiple term sheets at the end. VCs all have a different investment focus and look for different things, so you are going to collect a lot of rejections along the way and that is completely fine.

CONVERSATION

ARTYOM YUKHIN

PRESIDENT AND CEO
OF ARTEC 3D.



MATURE 3D SCANNER TECH FIRM ARTEC 3D RAISED €15M IN A LOAN THROUGH THE EIB. PRESIDENT AND CEO ARTYOM YUKHIN EXPLAINS.

THE ARTEC3D METHOD

WHAT MOTIVATED ARTEC 3D TO SEEK FUNDING FROM THE EUROPEAN INVESTMENT BANK (EIB) RATHER THAN TRADITIONAL EQUITY INVESTORS?

For 18 years, Artec 3D was fully self-funded and profitable from its early years, which allowed the company to avoid equity-based funding. The motivation to seek EIB financing was not financial necessity, but rather recognition of the company's strategic importance to Europe. As global competition grows, especially with deep tech companies in the US and China receiving heavy investment, Europe needs to strengthen its own technological capabilities. Partnering with the EIB was a way to signal Artec 3D's relevance to Europe's strategic goals in deep tech and AI.

WHAT WAS THE PROCESS OF SECURING AN EIB LOAN LIKE, AND HOW DID YOU PREPARE TO MEET THEIR REQUIREMENTS?

The process was rigorous. It began with a 120-page preliminary questionnaire before due diligence. EIB's technical evaluators were highly knowledgeable, often surpassing even my own technical understanding. During their visit, they conducted deep technical interviews with Artec's teams, including production and chip programming specialists. The EIB also contacted Artec's resellers independently to verify the company's market position. Overall, the due diligence was extremely thorough and demonstrated a deep understanding of advanced technology.

HOW DID THIS TYPE OF FINANCING HELP YOU SCALE WHILE KEEPING CONTROL OF YOUR COMPANY COMPARED TO EQUITY-BASED FUNDRAISING?

By choosing EIB debt financing instead of equity investment, Artec 3D retained full ownership and control over its operations. This non-dilutive funding enables the company to accelerate technological development and commercialisation, especially in AI and 3D scanning, without giving up shares or decision-making power. It also allows Artec to stay independent while scaling up to compete globally, particularly against well-funded competitors from other regions.

WHAT ADVICE WOULD YOU GIVE TO OTHER STARTUP FOUNDERS IN LUXEMBOURG WHO ARE EXPLORING NON-DILUTIVE FUNDING OPPORTUNITIES LIKE LOANS OR EU-BACKED INSTRUMENTS?

Startups should be prepared for very deep technical and business due diligence. Founders must be able to demonstrate not only technological innovation but also strategic relevance to Europe. Engaging with the EIB requires readiness for in-depth questioning, transparency, and strong internal expertise. However, if successful, the benefits, access to significant funding while maintaining control, can be substantial.



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