EEVR

Estonian XR Industry 2025

Market Structure, Growth Dynamics and 2026 Outlook

24.03.2026

Executive Summary

- In 2025 **18 Estonian XR companies** employed around **150 people** and generated **€13.8M** in revenue.
- The Estonian XR sector is built on **micro-sized, agile companies** closely connected with universities and research labs.
- Estonian XR companies are **highly dependent on international markets,** with exports driving both revenue and R&D investment. Key markets include the US, Germany, UK, Australia, and Nordic countries.
- A small number of high-revenue **"anchor firms" generate the majority of industry revenue**, while many companies remain early-stage.
- The industry is transitioning **from pure VR to integrated AR + AI solutions.**
- Growth areas include **defense applications and education & training simulations.**
- Estonian XR Industry **sentiment remains positive (≈4.1/5 optimism)** heading into 2026. Key barriers include: limited access to funding, talent shortages, weak marketing and market entry capacity.

About the Survey

- Previous Reports:
  - [2021](#)
  - [2022](#)
  - [2023](#)
  - [2024](#)
- 2025 Survey Period: 08.01.2026 - 28.02.2026
- Participants:
  - 23 Estonian Organizations
  - 18 Companies and 5 Education Providers/Research Institutions
  - 2 Latvian and 2 Lithuanian Companies
- Survey Coordinator
  - Estonian Virtual and Augmented Reality Association
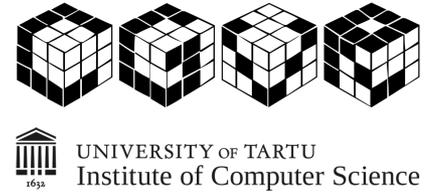 - info@eevr.ee
  - www.eevr.ee

Understanding Extended Reality (XR)

- **Extended Reality (XR)** combines digital and physical environments.

- **Virtual Reality (VR)** - Fully immersive digital environments.

- **Augmented Reality (AR)** - Digital overlays on the real world.

- **Mixed Reality (MR)** - Interaction between digital and physical objects.
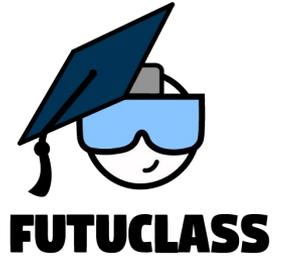
READY PLAYER ME

AVAR

UNIVERSITY OF TARTU
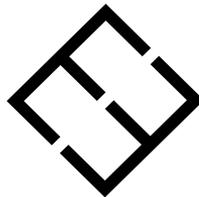Institute of Computer Science

CRIFFIN

FUTULABS

CM

SIMPLE MAGIC

BLUERAY

FUTUCLASS

MEDIT
CENTRE OF EXCELLENCE IN MEDIA
INNOVATION AND DIGITAL CULTURE

mobilab.

3D TUUR
VAATA LAIEMALT

MARU·VR
productions

TAL TECH

IVAR Laboratory
TALLINN UNIVERSITY OF TECHNOLOGY

TALLINNA TEHNIKAKÕRGKOOL
TTK UNIVERSITY OF APPLIED SCIENCES
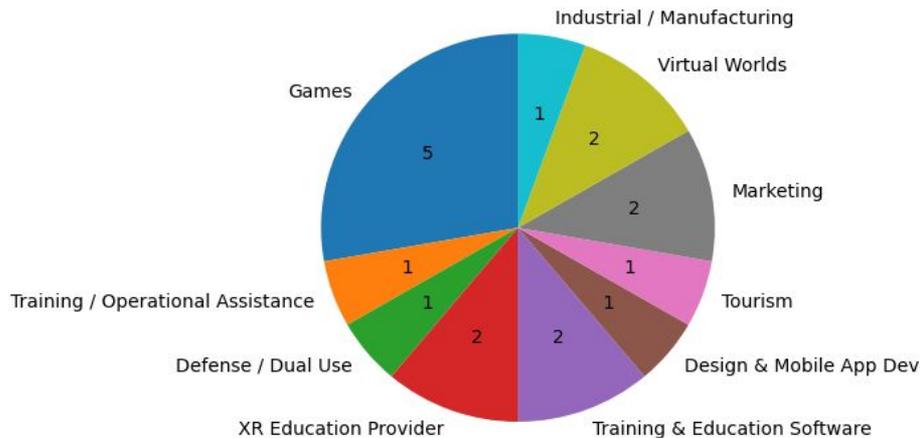
IGIKELTS
STUDIO

VR

VET VR
Animal Anatomy

The Estonian XR Ecosystem

GLOBAL MARKETS

(Exports • Clients • Investment)

▲
|

XR COMPANIES

Games • Defense • Training • Simulation
Product Firms • Solution Providers • Labs

▲
|

UNIVERSITIES & RESEARCH LABS

Talent Pipeline • XR Research • R&D

|
▼

EEVR

Ecosystem Connector & Industry Hub
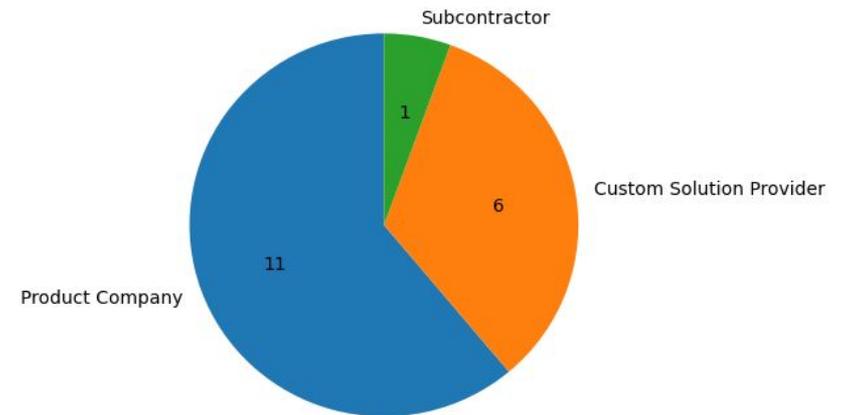Networking • Promotion • Global Visibility

Inside the Estonian XR Ecosystem

- The Estonian XR industry consists of product companies, service providers, and research institutions.

- Small agile teams collaborate closely with universities and R&D centers.

Companies by Business Vertical (Number of Companies)

- Industrial / Manufacturing: 1
- Virtual Worlds: 2
- Games: 5
- Marketing: 2
- Training / Operational Assistance: 1
- Tourism: 1
- Defense / Dual Use: 1
- Design & Mobile App Dev: 1
- XR Education Provider: 2
- Training & Education Software: 2

Companies by Organisation Type (Number of Companies)

- Subcontractor: 1
- Custom Solution Provider: 6
- Product Company: 11

Inside the Estonian XR Ecosystem (2)

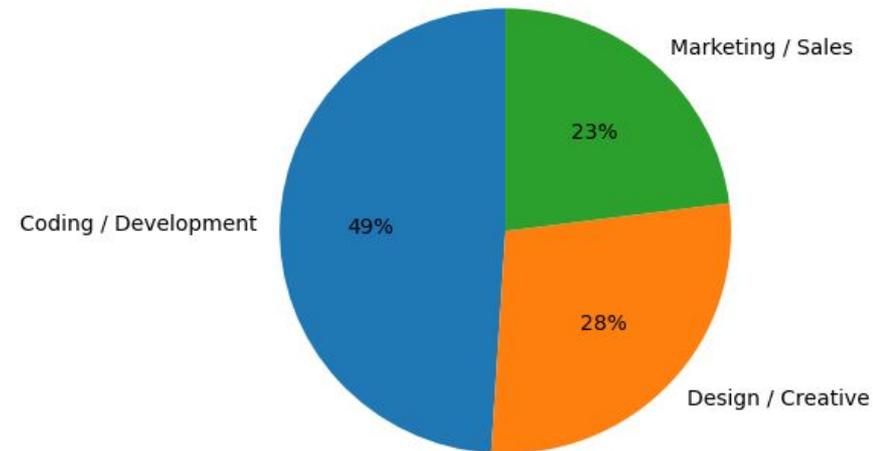| Organizational Model	Key Participating Entities	Strategic Contribution to Ecosystem
Product Companies	CM Immersive, Vegvisir, Futuclass, VARCUS, Maru VR Productions	Intellectual Property (IP) owners; drivers of high-margin global exports.
Custom Solution Providers	Blueray, AVAR Agentuur, Mobi Lab	Stabilize local market by addressing domestic B2B and tourism needs.
Subcontractors	Futulabs, Igikelts oü	Provide flexible technical labor and specialized assets for private contracts.
Universities / Research	UT, TalTech, BFM	The R&D engine providing the talent pipeline and high-TSR innovations.

Workforce Distribution

- The industry is dominated by micro companies.

- Only a few companies exceed 20 employees.

- Coding remains the primary technical pillar (avg. 50% in major firms), though business development roles are seeing a tactical uptick in defense-focused entities.
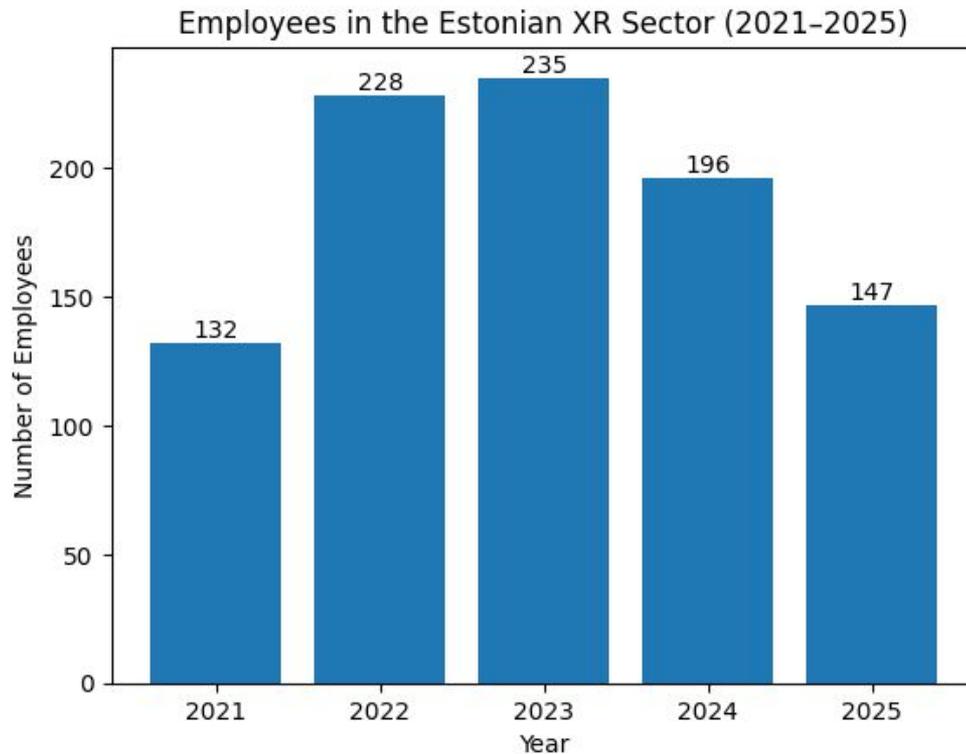
Companies by Employee Count
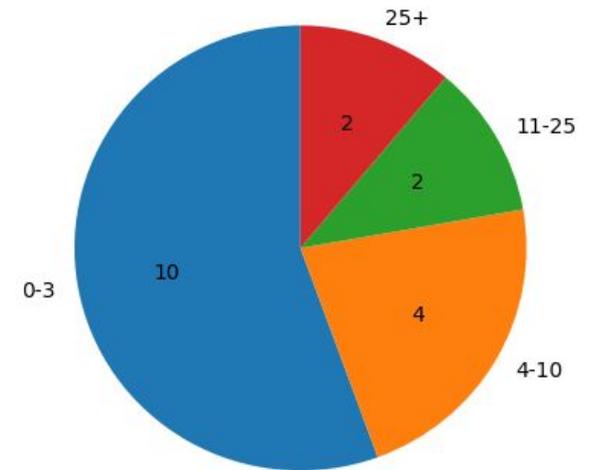
Workforce Role Distribution in the XR Industry
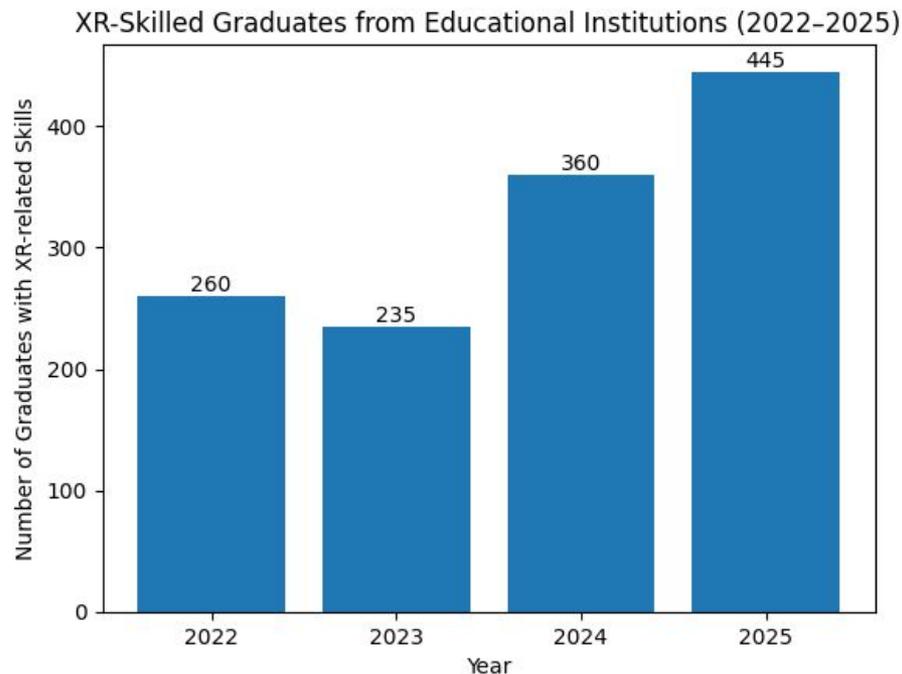
Number of Employees and Top Employers

Employees in the Estonian XR Sector (2021–2025)

Year	Number of Employees
2021	132
2022	228
2023	235
2024	196
2025	147

Top 3 Employers in the Estonian XR (2025)

1. CM Immersive (40)

2. VARCUS Solutions (26)

3. Maru VR Productions (15)

Employment Forecast and Talent Pipeline

- Estonian XR companies expect to hire approximately 20–30 new employees in 2026, primarily in development, design, and business development roles.

XR-Skilled Graduates from Educational Institutions (2022–2025)

Year	Number of Graduates with XR-related Skills
2022	260
2023	235
2024	360
2025	445

Revenue by Verticals
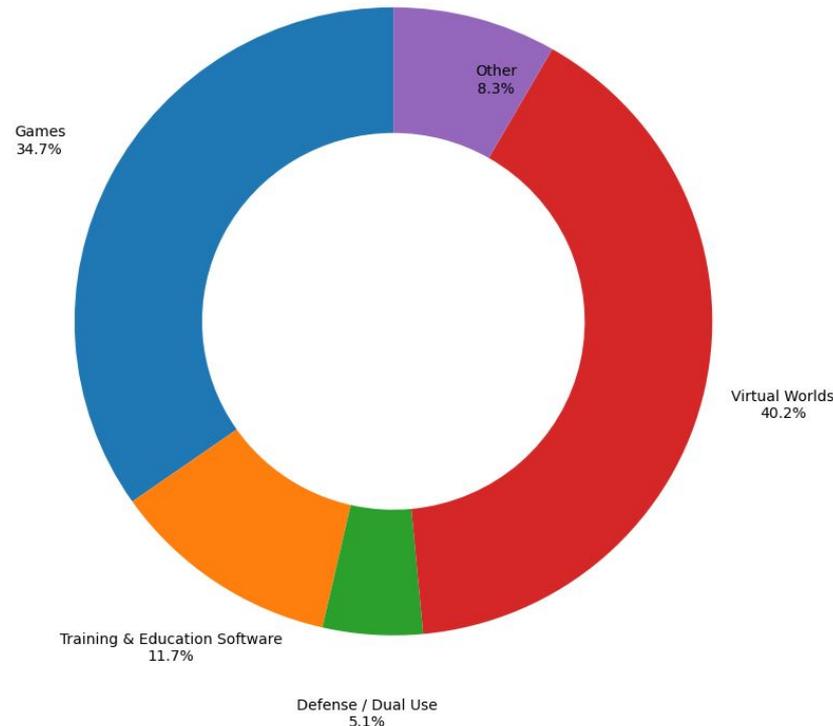
12,561,834 EUR
(2023)

⟶

14,951,717 EUR
(2024)

⟶

13,797,895 EUR
(2025)

The Estonian XR industry shows stable revenue performance, with variations driven primarily by survey coverage rather than market decline.
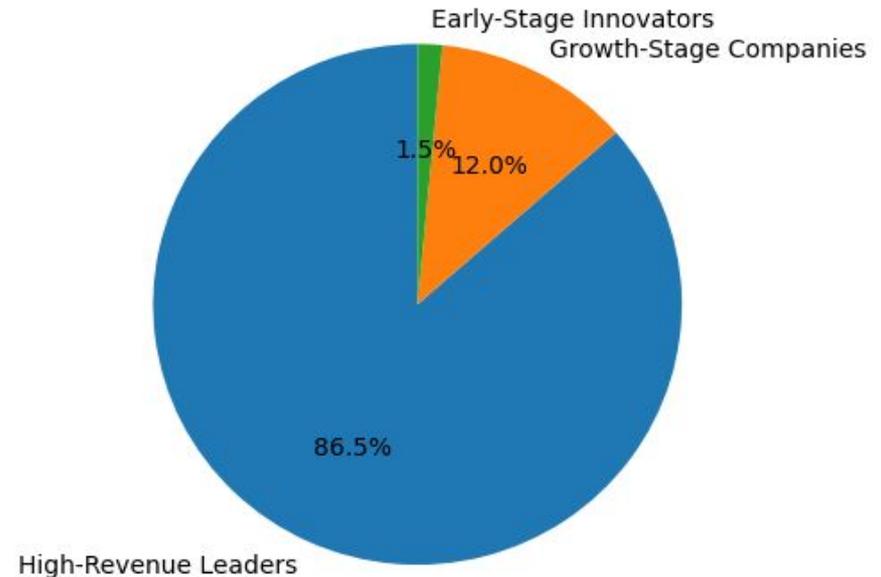
Revenue by Vertical (2025)

Other
8.3%

Games
34.7%

Virtual Worlds
40.2%

Training & Education Software
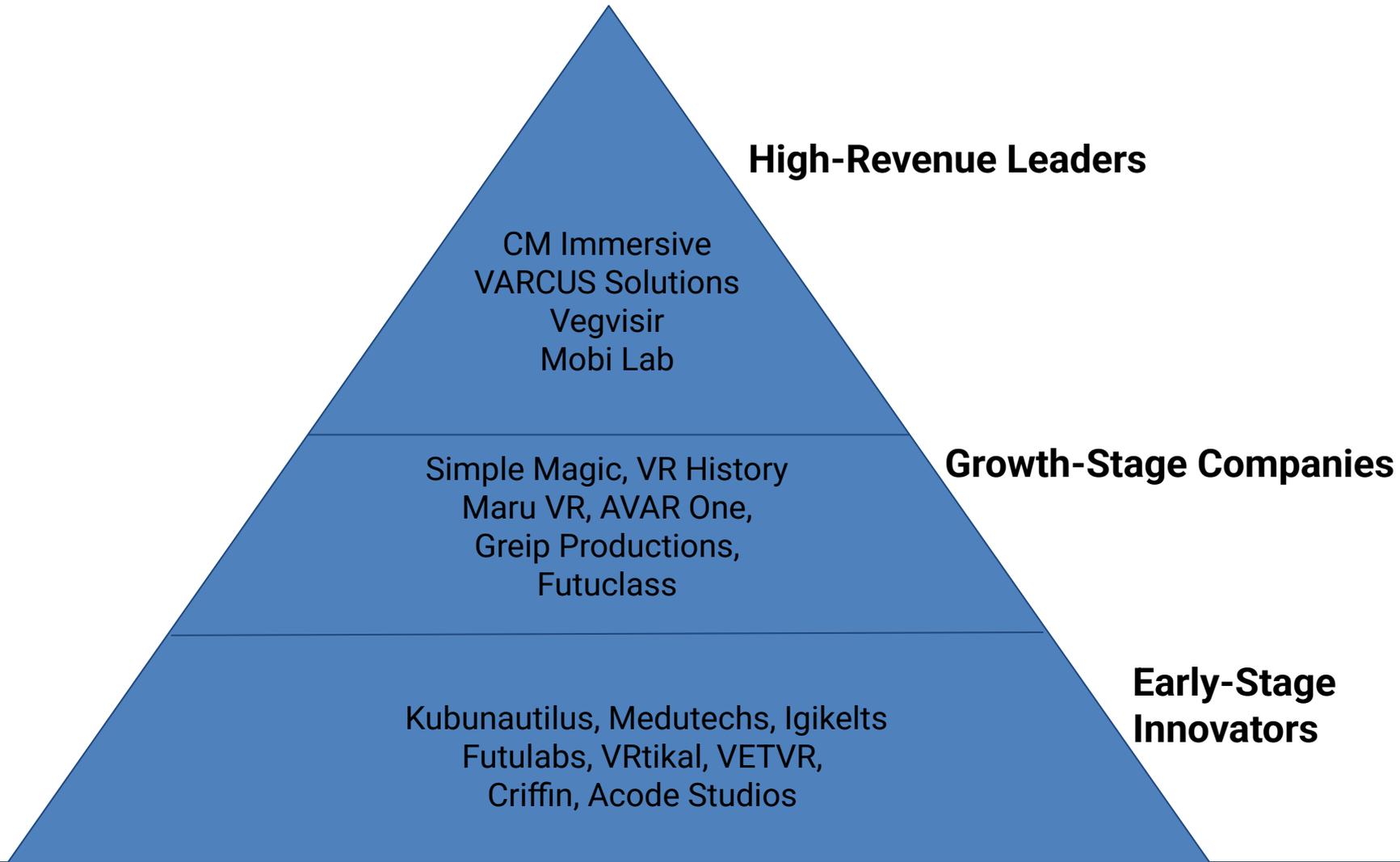11.7%

Defense / Dual Use
5.1%

Industry Revenue Leaders

- Most industry revenue is generated by a small group of established companies.

- A mid-tier of growing firms contributes a smaller but meaningful share.

- Early-stage innovators form a large portion of the ecosystem b account for only a small fraction of revenue.

Revenue Concentration Across Industry Tiers

Early-Stage Innovators

Growth-Stage Companies

1.5%

12.0%

86.5%

High-Revenue Leaders

Industry Revenue Tier Pyramid

High-Revenue Leaders

CM Immersive
VARCUS Solutions
Vegvisir
Mobi Lab

Growth-Stage Companies

Simple Magic, VR History
Maru VR, AVAR One,
Greip Productions,
Futuclass

Early-Stage Innovators

Kubunautilus, Medutechs, Igikelts
Futulabs, VRtikal, VETVR,
Criffin, Acode Studios

Export Dependency and Export Markets

- Most Estonian XR companies rely heavily on exports.

- International markets drive revenue and R&D investment.

- Primary XR export destinations:
  - United States
  - Germany
  - United Kingdom
  - Australia
  - Nordic Countries

Revenue by Market (2025)

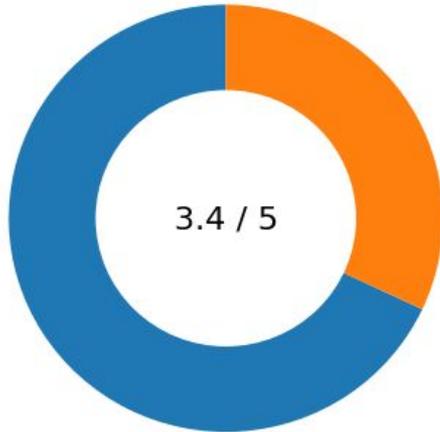Domestic

8.23%

91.77%

Export
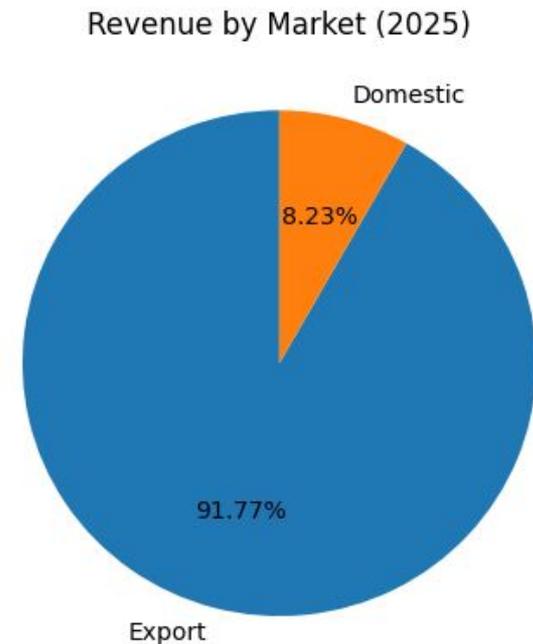
Networking and Common Events

2025

- realiti.express

- EEVR Meetups

- Immersive Multimedia & AR/VR Hackathons

- XRM2025

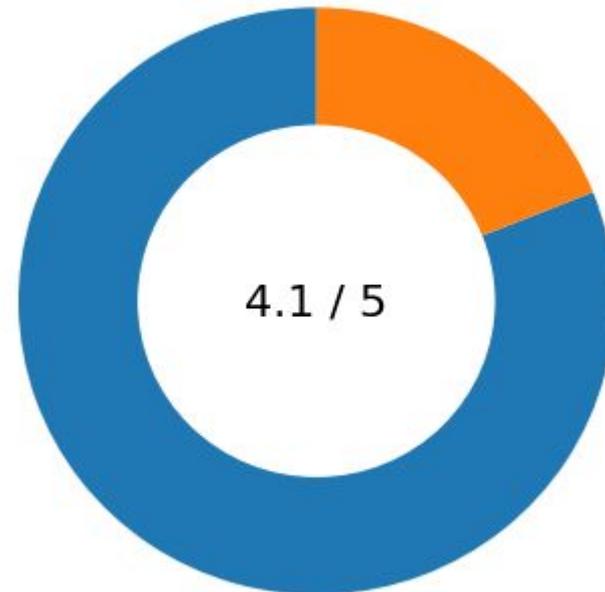- Slush side events

- MängudeÖÖ

2026

- realiti.express

- EEVR Meetups

- XRM2026

- Game In Tartu
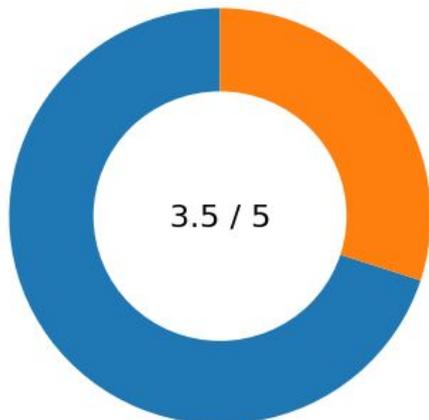
- GameOn

- MängudeÖÖ

Satisfaction and Optimism

Company Satisfaction with Performance in 2025

3.4 / 5

Participants Optimism about Growth in 2026


4.1 / 5

Educational Institution Satisfaction with XR Performance (2025)

3.5 / 5

Projects and Accomplishments by Industry Verticals - <u>Training and Education</u>

- **Futuclass** - Focused on sustainable operations and continued development of educational [XR products](#) while maintaining stable sales with minimal operational expenses.
- **Medutechs** - Launch of [MAIQ,](#) a new XR-based medical project.
- **VetVR -** Immersive animal anatomy [learning platform.](#)
- **Criffin Solutions**
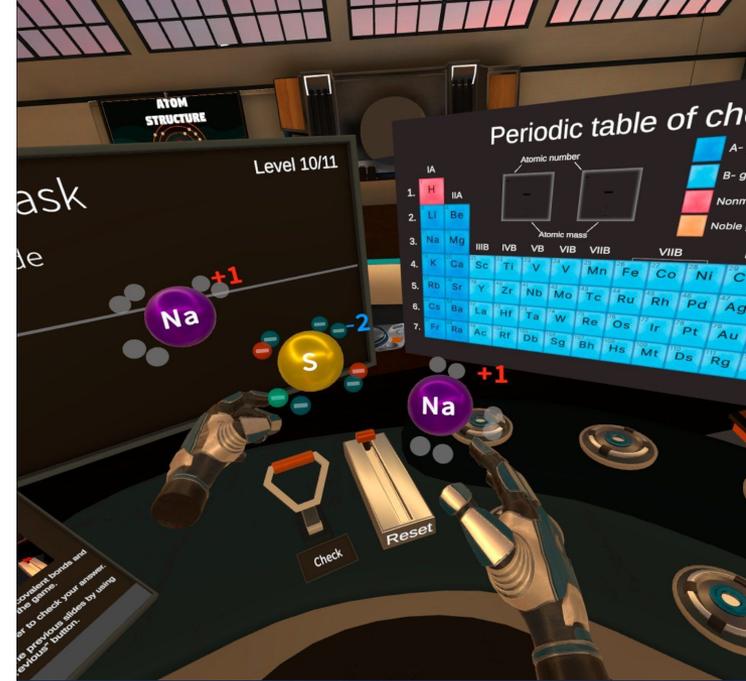
Projects and Accomplishments by Industry Verticals - __Games__

- **CM Games/ CM Immersive** - Release of [Into the Radius 2 (Meta platform)](#), continuing development of the successful immersive survival franchise.
- **Maru VR Productions** - Development and major updates of [Bootstrap Island](#) on Steam, including three significant content updates during 2025.
- **Kubunautilus** - Release of [Brutalistick VR](#) on Steam.
- **Acode Studios** - Continued development of [VReken](#) (currently in early access).
- **Simple Magic -** Private [Roblox projects](#).

Projects and Accomplishments by Industry Verticals - <u>Tourism and Experiences</u>

- **Mobi Lab** - Expansion of the [ARWidget](#) product to new clients and development of a new AR-based game prototype aimed at future productization.
- **Blueray (VR History)** - Creation of a [VR experience](#) for the permanent exhibition "Mind Tides / Mind Torments" at the Juhan Liiv Museum.
- **Futulabs** - Private [projects](#).
- **Igikelts OÜ** - Creation of an animated [installation](#) for the Tallinn Children's Hospital lobby.
- **AVAR Agentuur** - Delivery of immersive and spatial projects including [Stellar](#) Residences, [ABB](#), [Tehvandi Sports Centre](#).
- **VRtikal** - Launch of [vrtik.al](#), a platform focused on industrial XR solutions.
- **Greip Productions** - Development of the Space Journey Simulation, an immersive educational [XR experience.](#)
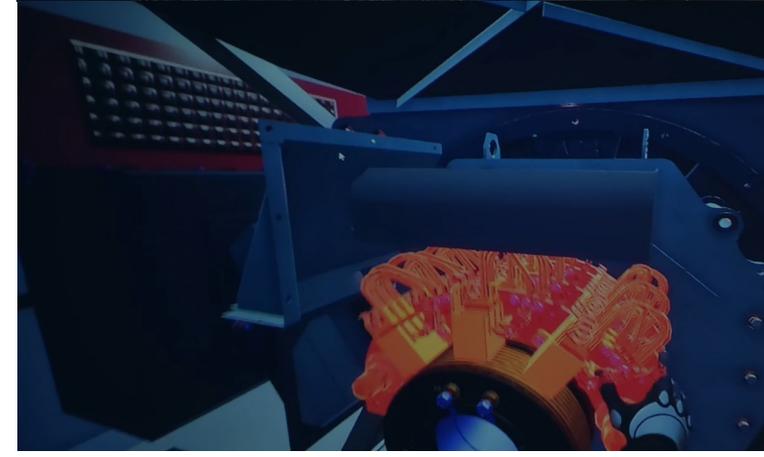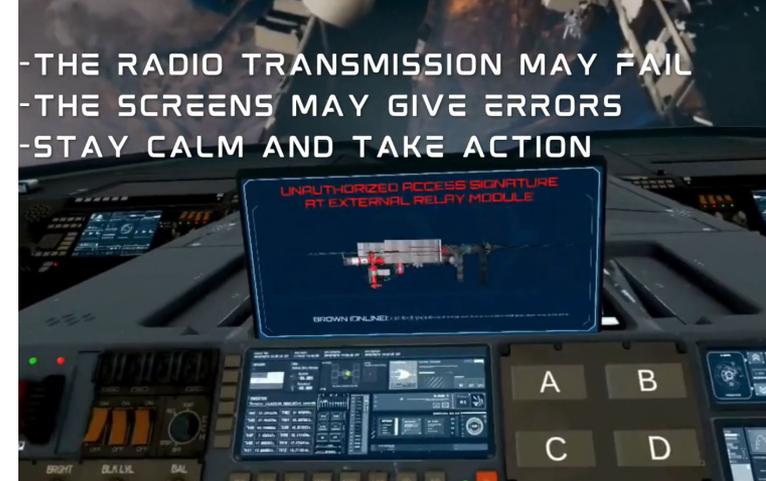
Projects and Accomplishments by Industry Verticals - Defense and Dual-use

- **Vegvisir** - Launch of the [Vegvisir Virtual Command Station](#) and Vegvisir Nano, expanding the company's XR-based situational awareness solutions.

- **VARCUS Solutions** - Completion of [ESBEN](#), a world-first AR situational awareness tool designed for operational environments.

Projects and Accomplishments by Industry Verticals - <u>XR education and Research</u>

- **Tartu Art School** - Student internships in Cyprus and Estonia, as well as collaborative diploma projects focused on game development and immersive media.
- **TalTech XR Centre** - [SOFTacademy](#) co-design workshops and the integration of [XR tools](#) into architecture and [spatial design](#) education.
- **TalTech IVAR Lab** - Research on XR-based teleoperation of humanoid robots and VR applications for medical treatment, including eye therapy.
- **University of Tartu** - Development of immersive research projects such as [DeltaVR](#), [Psyrreal](#), and [MediqVR](#), exploring advanced virtual environments, psychological immersion, and medical education.
- **Baltic Film, Media and Arts School (BFM)** - Doctoral research investigating Cinematic Virtual Reality as a transitional medium between traditional film and fully immersive environments.

Reported Key XR Industry Developments in 2025

- **AR & MR Growth** - AR is becoming a major commercial entry point for XR, particularly in enterprise services and applied solutions.
- **Defense Applications** - increasing traction in defense applications, reflecting a broader industry trend.
- **Multi-Platform XR** - Studios are adapting content to multiple XR hardware ecosystems, reducing dependence on a single platform.
- **AI Integration** - AI is becoming a content production and interaction layer for XR experiences.
- **XR Education and Training Applications** - a strong growth area in XR-based learning technologies.

Expected XR Industry Developments in 2026

- **AR & AI Technologies** - XR development is increasingly moving toward lighter hardware ecosystems and AI-assisted workflows, enabling faster production of immersive content.
- **Training & Simulation** - XR is increasingly used in mission-critical environments, including defense and professional training.
- **Multi-Platform XR** - XR companies are prioritizing cross-platform distribution to reach wider audiences.
- **XR Game Releases** - The XR gaming sector is moving from early access and experimentation toward mature product releases.
- **Market Growth** - XR companies anticipate growing commercial demand for immersive technologies.

Biggest Challenges for the Companies

- **Funding Access** - Limited access to investment and grants continues to restrict companies' ability to scale XR products and expand into international markets.
- **Internal Resources** - Small team sizes and limited internal resources reduce companies' ability to simultaneously develop products, manage operations, and pursue growth opportunities.
- **Marketing & Sales** - Many XR companies lack dedicated marketing and sales capacity, making it difficult to build visibility and establish international distribution channels.
- **Talent & Labor Costs** - The shortage of experienced XR professionals and rising labor costs create significant barriers for companies trying to expand their development teams.
- **Market Entry Barriers** - Economic uncertainty, regulatory complexity, and challenges entering foreign markets make international expansion slower and more resource-intensive.

Biggest Challenges for the Educational Institutions

- **Recruitment and Retention of Skilled Staff -** Universities face difficulties attracting and retaining experienced XR researchers and instructors in a highly competitive technology labor market.
- **Commercialization of Research -** XR research projects developed in universities often struggle to transition into commercial products or startups.
- **Student Skills and Engagement -** Institutions report challenges ensuring that students develop sufficiently advanced XR skills and actively engage in applied XR projects.
- **Administrative and Organizational Barriers -** Internal administrative processes and institutional structures can slow down the development and implementation of new XR initiatives

Support Services XR Companies Need to Grow and Export

Support Services Needed by XR Companies
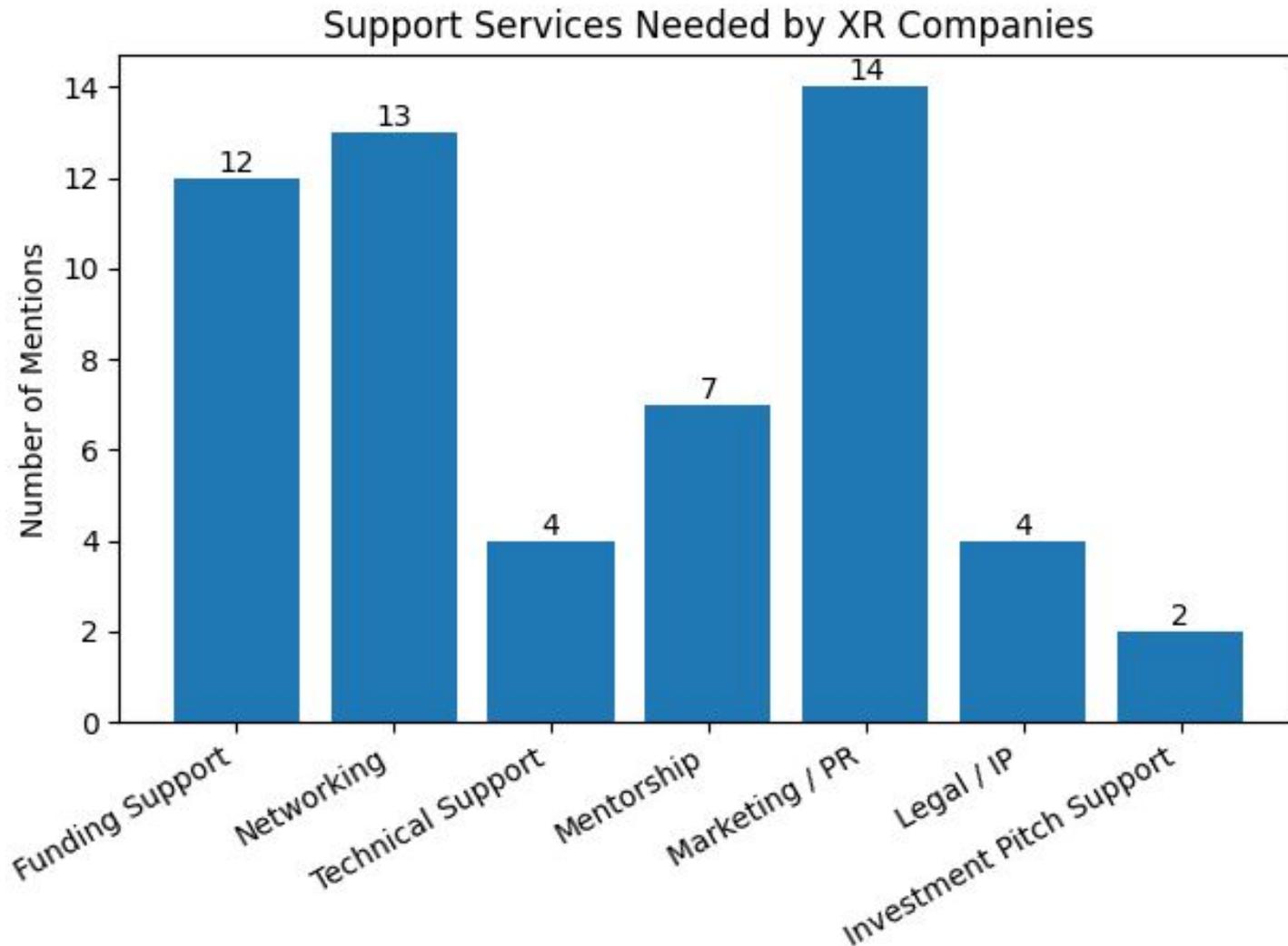
How EEVR Can Best Support the XR Ecosystem?

- Companies expect EEVR to act primarily as an ecosystem connector and promoter, helping XR companies build partnerships, gain visibility, and access funding opportunities.

Support Area	Mentions
Networking & Partnerships	7
Marketing & Visibility	6
Funding & Grants	5
Events & Community Building	5
Industry Promotion & Research	3
Talent & Education Links	2

Satisfaction with EEVR as Estonia's XR Umbrella Organization

4/5
5

5/5
18

0

23 responses

Response distribution
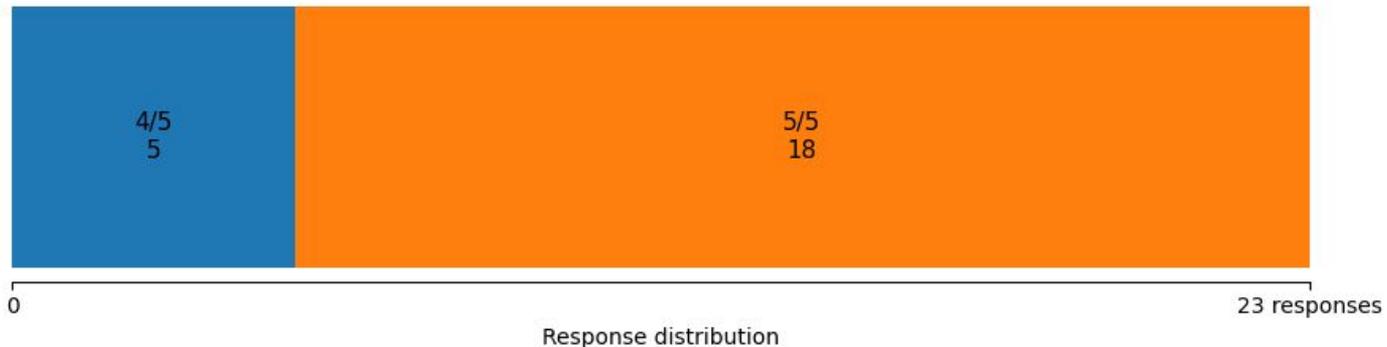
EEVR's key activities in 2025 & 2026

2025

- Local Meetups
  - EEVR Meetup #36 - Human-Machine Interactions, Tallinn IVAR Lab
  - EEVR Meetup #37 - Export Project recap, Tartu
- realiti.express 2025
  - 20 speakers from 6 countries
  - 1 Keynote, 1 Panel Session, 15 Presentations on stage and 1 remotely
  - ca 130 guests
  - Hybrid event
  - 7 hours of video content on youtube
- Export Project (2024-2026)
  - During 2 years 12 companies visited 22 different events in 14 different countries to boost their export.

2026

- Local Meetups
  - May 7th 2026, Tallinn (TBA)
- XRM 2026 Conference, Tallinn
- realiti.express 2026
  - October 9th, Tallinn (TBA)
- Export Project
  - Application for 2026-2028 in progress

Estonian XR Strategic Opportunities

- **Improved Access to EU and National Funding**

  Strengthening support mechanisms for accessing EU and national funding - such as grant advisory services, proposal mentoring, and microgrants - would enable XR companies to scale R&D activities and accelerate commercialization.

- **Stronger Industry - Academic Collaboration**

  Closer cooperation between universities and XR companies, including internships, joint research projects, and talent-matching initiatives, could help bridge the gap between academic skills and industry needs.

- **Expanded International Marketing and Visibility**

  Coordinated international promotion of the Estonian XR ecosystem - through trade missions, global expos, and joint branding-would help companies reach new markets, partners, and investors.

Some Insights from Latvia and Lithuania

- CHARK (LT)
- VSight (LT)
- Overly Creator (LV)
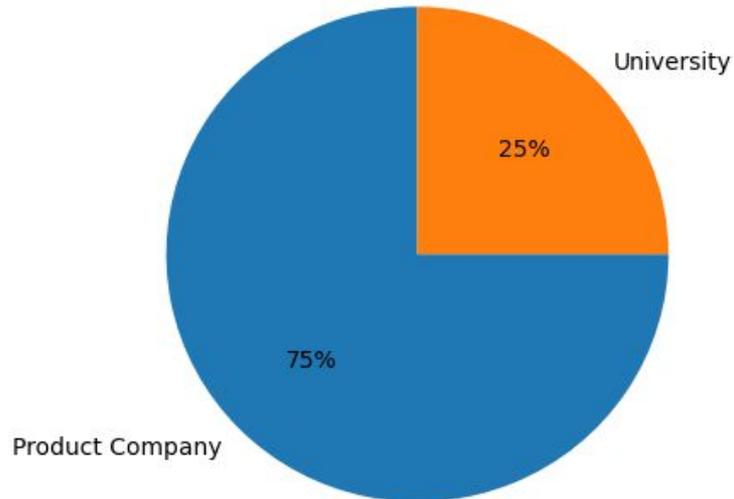- Vidzeme University of Applied Sciences (LV)
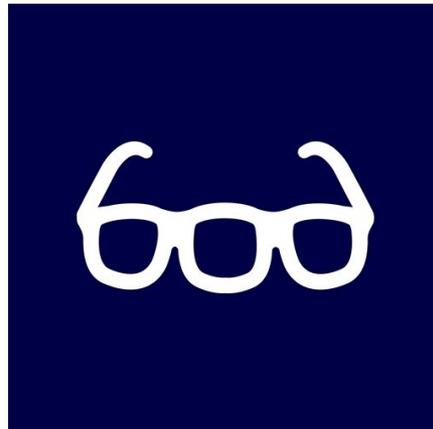
Major XR Projects and Achievements (2025)

- **CHARK** - Release of [Exer Gale](#), an immersive XR experience available on the Meta Store.
- **VSight** - Launch of [Nova](#), an industrial AI co-pilot with AR support designed to enhance operational workflows.
- **Overly Creator** - Continued product feature development, focusing on expanding capabilities of their [XR platform Overly App.](#)
- **Vidzeme University of Applied Sciences** - [LEAPXR,](#) linking Education and Applied Practice for Entrepreneurship and Innovation in XR (ongoing); INTERREG Integrated system for interactive public garden development in Baltic Sea Region [INTERACTIVE GARDENS](#) (ongoing)

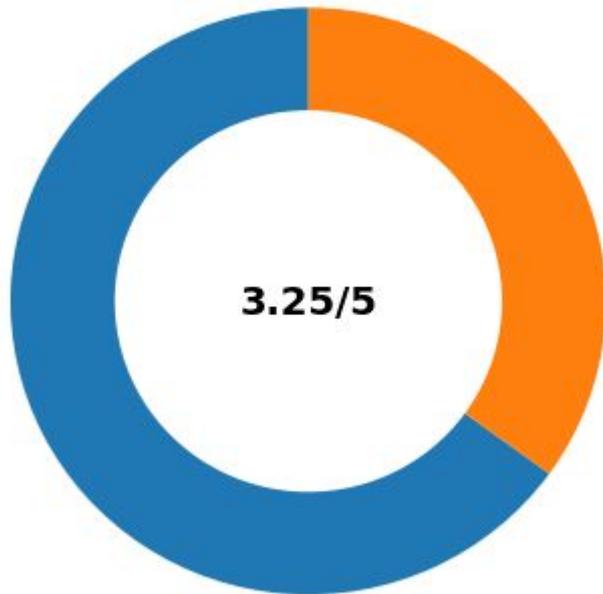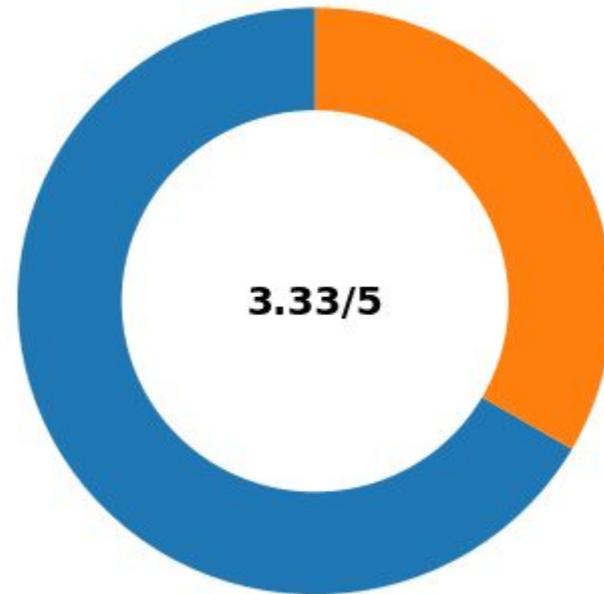# Type of Participating Organisations
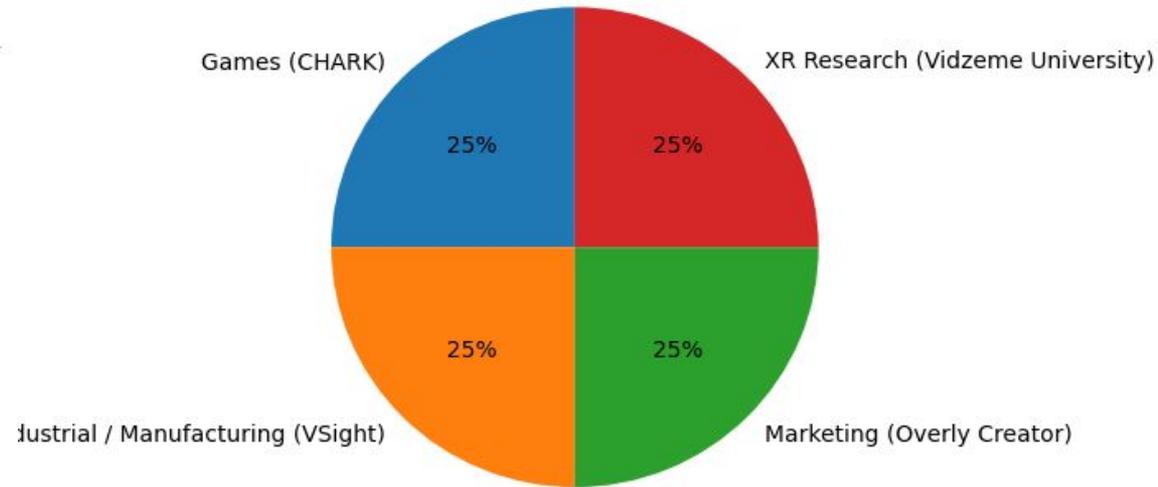
Satisfaction and Optimism

Average Satisfaction (2025)

3.25/5

Average Optimism (2026)

3.33/5

EU-funding, Export and Events

Participation in EU-funded projects is evenly split between the participants, indicating that while some organisations are well-integrated into European funding ecosystems, others remain outside these support structures.

Key Foreign Events Attended

- Meta Connect
- Bauma 2025
- realiti.express

Domestic Revenue

5%

95%

Export Revenue
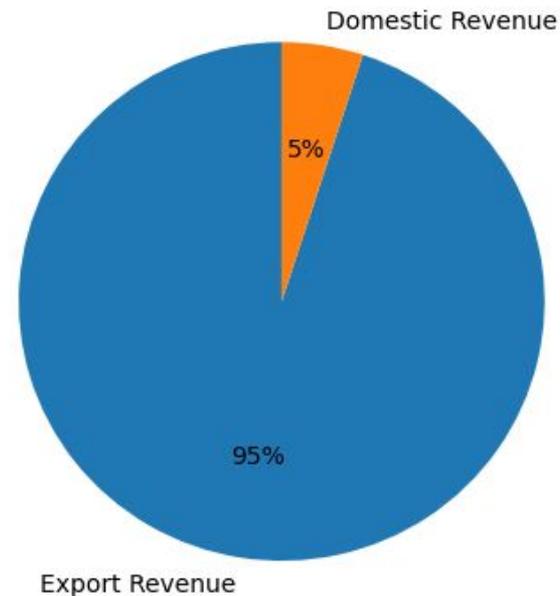
Participating Organizations - Companies

Company	Business Vertical	Home Page	EEVR Member
Acode Studios OÜ	Games	www.acode.ee	Yes
AVAR	Marketing	https://avar.one/	Yes
Blueray / VR History	Training & Education	www.blueray.ee	Yes
CM Immersive	Games	www.cm.games	Yes
Criffin Solutions	Training & Education	https://criffin.com/vr-solutions/	Yes
Futuclass	Training & Education	www.futuclass.com	Yes
Greip Productions	Marketing	www.greipproductions.eu	Yes
Holovarmed / Medutechs	Training & Education	www.medutechs.eu	No
Kubunautilus	Games	https://store.steampowered.com/app/2669380/BRUTALISTICK_VR/	Yes
Maru VR Productions	Games	www.maruvr.ee	Yes
Mobilab	Training & Education	www.lab.mobi.ee	Yes
Ready Player Me	Virtual Worlds	https://readyplayer.me/	Yes
Simple Magic OÜ	Games	https://www.simple2magic.com/	Yes
SQ1 Interactive	Training & Education	cstudio.co/about-us	Yes
Varcus Solutions	Training & Education	https://varcus.com/	No
Vegvisir	Defense	www.vegvisir.ee/	No
Vet VR	Training & Education	https://vetvr.eu/	Yes
VRtikal	Industrial/Manufacturing	https://www.vrtik.al/	Yes

Participating Organizations - Educational Institutions

	Public sector organizations	Business Area	Home Page	EEVR Member
1	TalTech, Mektory XR Center	Educational Institution	taltech.ee/xr-keskus	Yes
2	Taltech, Industrial Virtual and Augmented Reality Laboratory	Educational Institution	https://ivar.taltech.ee/	Yes
3	The Computer Graphics and Virtual Reality Study Lab of the University of Tartu	Educational Institution	https://cgvr.cs.ut.ee/	Yes
4	Centre of Excellence in Media Innovation and Digital Culture (MEDIT) at Baltic Film, Media and Arts School (BFM), Tallinn University	Educational Institution	https://www.tlu.ee/en/bfm/medit	Yes
5	Tartu Art School	Educational Institution	https://www.tartukunstikool.ee/en	No

Baltic Survey Contact List (1)

Company	Country	URL	Business Vertical
Overly	LV	https://overlyapp.com/	Marketing
VReach	LV	https://www.facebook.com/vreachapp	-
Lightspace3d	LV	https://lightspace3d.com/	-
Yogarembo	LV	https://yogarembo.com/	-
Vidzeme University of Applied Sciences	LV	https://va.lv/en/study-here/masters-degree/virtual-reality-and-smart-technologies/about-programme	XR Research
HyperVR Games	LV	https://shavenstuff.com/	-
RedFrog	LV	https://redfrog.ai/	-
Gluk Media	LT	https://glukmedia.com/	-
CGTrader	LT	https://www.cgtrader.com/about-us	-
Asterman	LT	https://asterman.org/	-
Nsocial	LT	https://www.nsocialtr.com/index_en.html	-
Inlusion	LT	https://inlu.net/about/	-
vSight	LT	https://vsight.io/	Industrial / Manufacturing

Baltic Survey Contact List (2)

BIMSYNCH	LV	https://www.facebook.com/bimsynch	-
Watchbuilt	LV	https://www.watchbuilt.com/	-
VIVIDLY	LV	https://www.vividlyapp.com/	-
Art Tech Agency Lihtuania	LT	https://www.arttechagency.lt/	-
Three Cubes	LT	https://three-cubes.net/	-
Chark Studio	LT	https://chark.io/	Games
Cloud atlas	LT	https://cloud-atlas.eu/	-
VRRoom	LV	https://vrroom.lv/en/	-
Sneakybox	LT	https://sneakybox.biz/about/	-
Indeform	LT	https://www.indeform.com/	-
Nsocial	LT	https://www.nsocialtr.com/index_en.html	-
Uraga	LT	https://www.uraga.lt/	-
Kaunas University of Technology	LT	https://fi.ktu.edu/vrlab/	-

About Estonian Virtual and Augmented Reality Association

Estonian Extended Reality Association (EEVR) is a non-profit organisation dedicated to advance and coordinate the development of Virtual, Augmented and Mixed Reality in Estonia. EEVR connects industry, academia, and international partners.

Global XR
Ecosystem

Estonian XR
Companies

EEVR

Estonian
Government

Estonian
Academia