

# Fintech Decoded

A special edition report tracking investment activity in fintech companies

1H22

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# Executive Summary



Fintech businesses witnessed a tremendous decline in venture capital funding with the withdrawal of stimulus measures by the Fed and expectation of a recession, regulatory uncertainty caused by GDPR, China's ban on cryptocurrency, a worse-than-anticipated slowdown in China, geopolitical impacts of the Russia-Ukraine war, and soaring Eurozone inflation. VC deal activity in the fintech space reached the pre-surge level, with \$16.3B being invested in 623 deals globally during 1H22. VC investors are taking a back seat and anticipating higher market volatility in this space owing to economic uncertainty worldwide.

The Payments and Financial Markets segment has taken a back seat and passed on the baton to the Blockchain/Crypto segment during this period. The pandemic increased the focus of new retail investors on cryptocurrency and blockchain technology. This is drawing investors to the sector that aims to reap multifold benefits in the coming quarters of 2022.

Curiosity about the integration of finance and blockchain is growing, propelled by the strong cryptocurrency market. This has led to a shift from traditional centralized finance to decentralized finance and has caught the eyes of investors. The acceptance of cryptocurrencies has enabled investors to maintain a diversified portfolio and start becoming one-stop trading and investing financial service providers.

Overall investment in Payments declined with \$3.9B VC funding raised in 1H22 spread across 136 deals compared to \$16.3B in 1H21 across 270 deals. However, the transition to cashless payments and banking behavior, developed during the pandemic and growing ever since, is expected to boost investment in neo and digital banks, promoting financial inclusion in the coming months of 2022.

Investor appetite has increased for new-found concepts such as BNPL, decentralized finance, non-fungible tokens, and earned wages access and is expected to continue in 2022 owing to the rising innovation in new geographies and building products based on sector-specific needs.

While the world witnessed the rise of several unicorns, they were mainly concentrated in the US and China, the world's two largest economies. While the unicorn count is at an all-time high, the exit value of these companies is on a decline.

Welcome to the seventh edition of Aranca's Fintech Decoded report, a publication where we highlight the major VC funding trends of 1H22 within the broader fintech universe across key markets.

VC fintech funding slowed in 1H22 after the 2021 surge, with the macroeconomic-led headwinds turning the tides of investments and paving the way in the future. The anticipation of further economic volatility has made investors risk averse. The velocity of mega deals is receding as even established companies with proven unit economics and growth plans are unable to attract investor attention. In this report, we highlight some key trends based on 1H22 deal activity and the outlook for various fintech verticals.

We hope you find this an interesting and insightful read.



In 1H22, global  
investment in fintech  
companies reached

**\$35.7B**

across

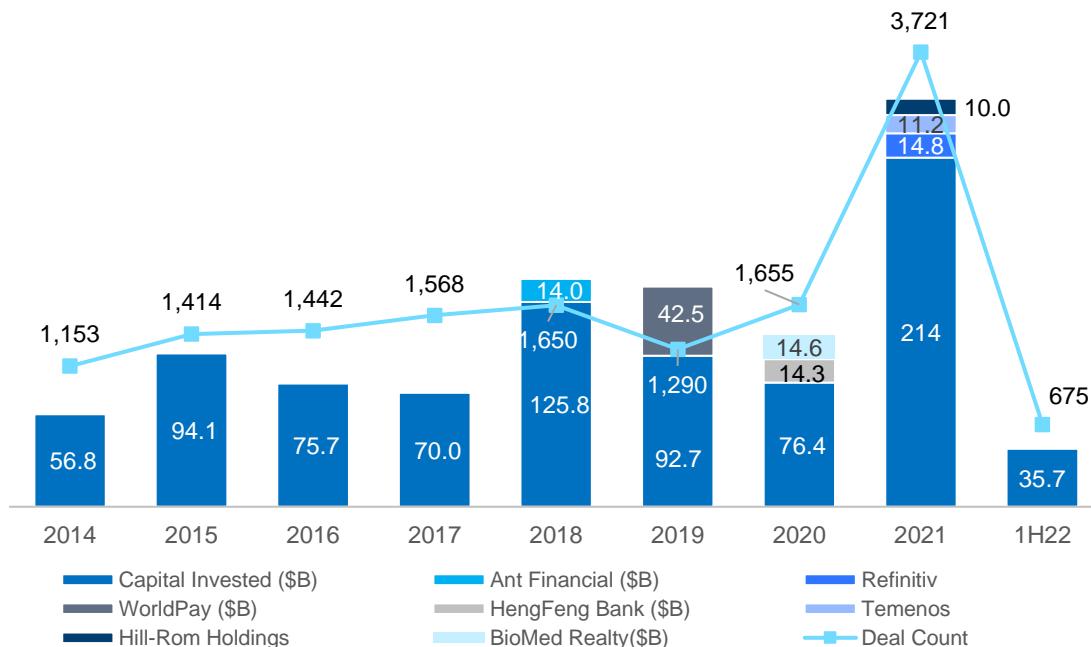
**675 deals.**

# Fintech funding stabilizes in 1H22 at pre-elevated growth levels

## Global VC, PE, MA deal landscape in fintech companies

January 01, 2014—June 30, 2022

Currency in \$, unless otherwise specified



**Data Source:** PitchBook, unless specified otherwise

**Note:** Please refer to the Methodology section at the end of the report to understand the fintech universe and its constituents as defined from the perspective of this report.

Fintech deal activity in 1H22 was 52% of the annual 2019 volume, in line with the pre-Covid level. The sector registered a 42% decline in deal value compared to 1H21.

As fintech continues to attract funding from a diverse set of investors, global fintech companies are expecting stability in funding growth, after a robust record-breaking surge in 2021 on account of digital transformation supported by the pandemic.

VC funding in fintech contracted by 86% in 1H22 after a sharp rise in 2021. Meanwhile, the PE and M&A space recorded a decline in financing in 1H22 of about 55% and 58%, respectively, compared to 2021.





In 1H22, global VC  
funding in fintech  
companies reached

**\$16.3B**

across

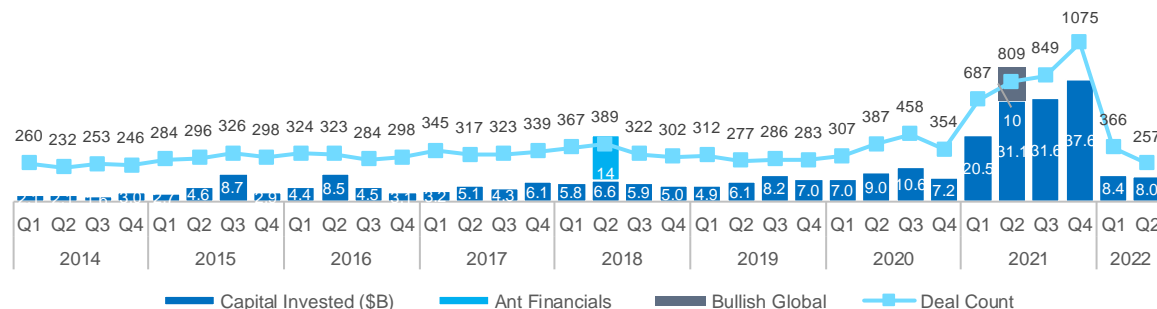
**623 deals.**

# VC funding slowdown in 1H22 after a record 2021

## Global VC funding in fintech companies

January 01, 2014—June 30, 2022

Currency in \$, unless otherwise specified



VC funding for fintech companies declined to the 2020 level (\$16.0B capital invested in 1H20 compared to \$16.3B in 1H22), after recording an all-time high in 2021. VC funding deal activity in 1H22 reduced by 58% and 68% in volume and value, respectively compared to 1H21 (excluding the outlier of Bullish Global deal worth \$10B).

Investors do not seem as enthusiastic about the fintech space as they were in the last two years. As the market matures and competition heightens, investors are less likely to invest in startups with little differentiation from other companies.

Consistent with the trend in 1H20, the number of mega deals (>\$100M) in 1H22 decreased. In 1H22, 42 mega deals worth \$9.4B were signed, accounting for 58% of the total VC funding. Fears of an impending recession have negatively influenced the optimistic stance of investors. Moreover, the 1H22 crypto crash that caused the market to shed \$2Tn has led to a liquidity crunch among investors, resulting in a spate of consolidation.

Data Source: PitchBook, unless specified otherwise

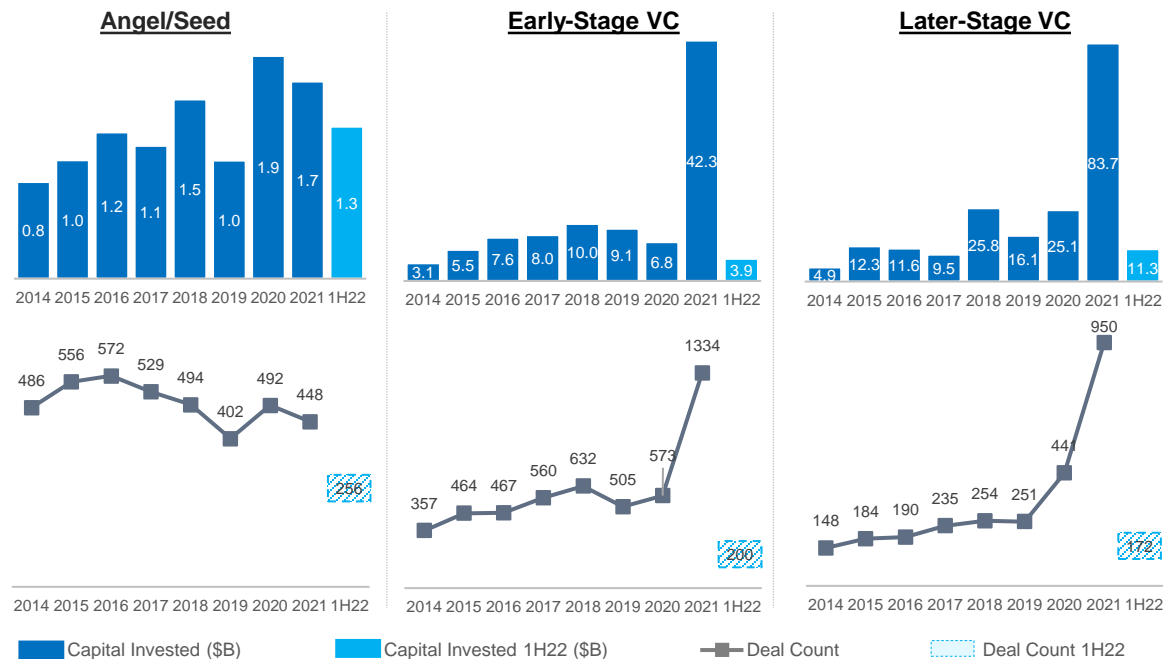
Note: Please refer to the Methodology section at the end of the report to understand the fintech universe and its constituents as defined from the perspective of this report.

# Fintech momentum slows due to regulatory uncertainty and economic headwinds

## Global VC funding in fintech companies

January 01, 2014–June 30, 2022

Currency in \$, unless otherwise specified



Data Source: PitchBook, unless specified otherwise

Note: Please refer to the Methodology section at the end of the report to understand the fintech universe and its constituents as defined from the perspective of this report.

Late-stage deal activity was recorded at 2020 levels, and the number of mega deals (>\$100M) stood at 35 (worth \$8.2B), in line with the 1H20 trend.

The momentum of 2021 eased in 1H22, leading to funding in the angel/seed stage, which represented 78% of the deal value of 1H21. Early- and late-stage VC funding stood at 20% and 32%, respectively, in 1H21.

The market still has a plethora of growth opportunities to offer for fintech entrants. However, with the industry facing many regulatory changes in the past few years, financing has slowed down.

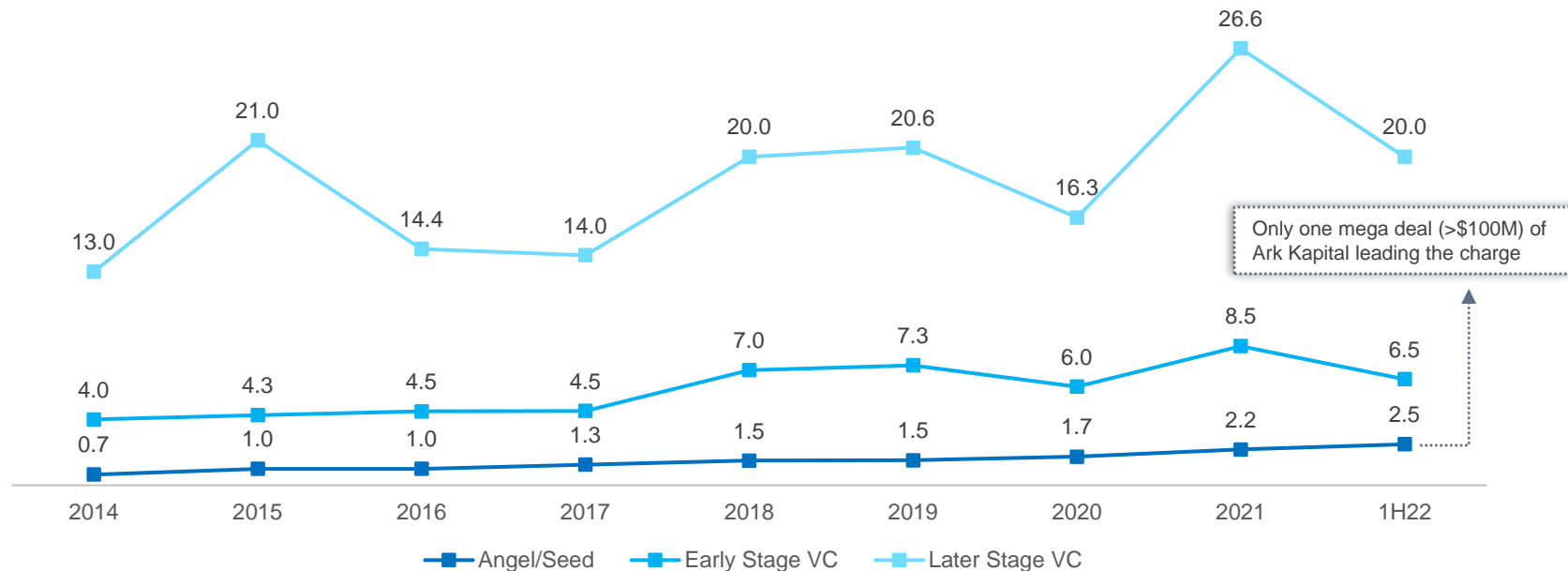


# Slight increase in angel/seed-stage median deal size in 1H22

## Global VC funding median deal size: By funding stage

January 01, 2014–June 30, 2022

Currency in \$, unless otherwise specified



Data Source: PitchBook, unless specified otherwise

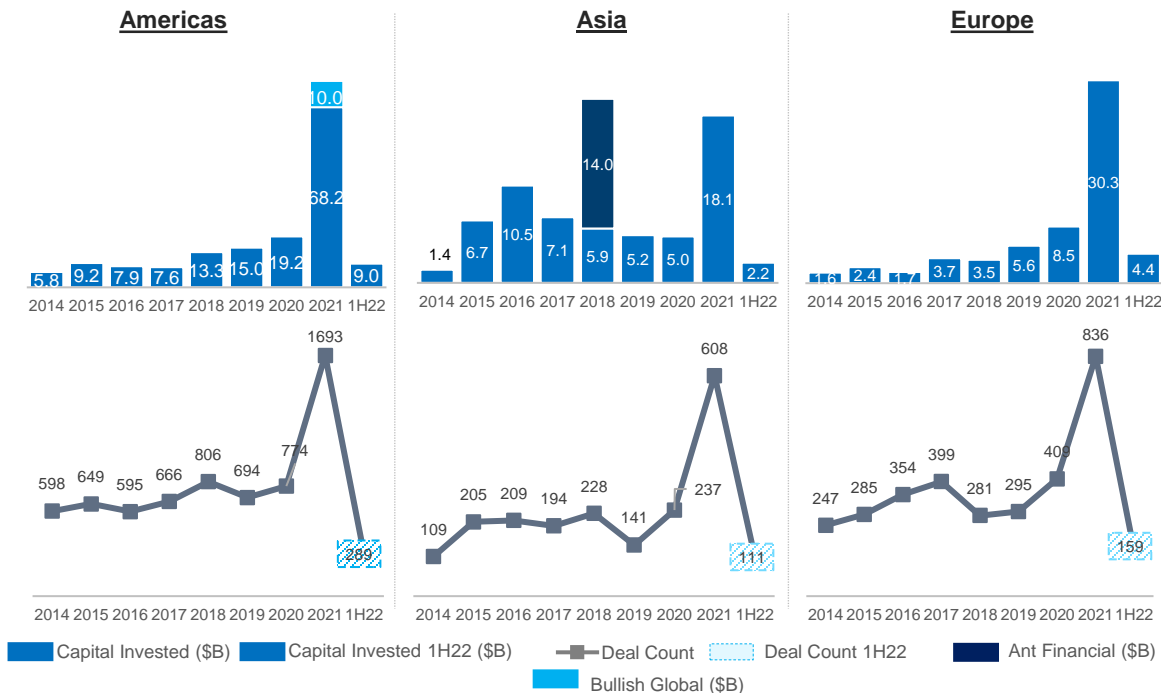
Note: Please refer to the Methodology section at the end of the report to understand the fintech universe and its constituents as defined from the perspective of this report.

# 70% decline in Fintech funding in the US, European, and Asian Fintech markets during 1H22

## Global VC funding in fintech companies

January 01, 2014–June 30, 2022

Currency in \$, unless otherwise specified



**Data Source:** PitchBook, unless specified otherwise

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The fintech funding spree slowed due to a sufficiently reduced inflow of capital in value, with \$3.7B in the Payments+ segment (77% down from \$15.8B in 1H21), in addition to an 85% decline each in the Blockchain/Crypto and Insurance segments. However, capital injected in Personal Finance grew 14% vis-à-vis 1H21, despite a 27% fall in deal volume, indicating an increase in investment per deal. In terms of volume, all subsectors in the fintech industry registered a 30–80% drop in the number of deals.

The Americas secured \$29B less in funding compared to 1H21. The number of deals in Europe, the Americas, and Asia halved to that in 1H21.

The Asian fintech space saw a turnover of events and recorded a 52% decline in financing from the previous half-yearly data.

Retrogression in blockchain/cryptocurrency investment in North America and Europe can be ascribed to the Fed's withdrawal of stimulus measures, emergence of the Omicron variant, regulatory uncertainty caused by the EU's General Data Protection Regulation (GDPR), China's cryptocurrency ban, and uncertainty in the Chinese real estate market due to the Evergrande situation.

# Top 10 global VC funding deals in fintech space

## Top 10 global VC funding deals in fintech space

January 01, 2020 – June 30, 2022

S. No.	Region	Name	Verticals	Deal Size (\$M)	Key Investors	Post-Money Valuation (\$B)
1	Germany	Trade Republic	Financial Markets	1,153	Ontario Teachers' Pension Plan, Sequoia Capital, Founders Fund	5.3
2	US	Ramp	Payments+	748	Founders Fund, D1 Capital Partners, Spark Capital, Altimeter Capital Management	8.1
3	US	Fireblocks	Blockchain/Crypto	550	D1 Capital Partners, Spark Capital, Altimeter Capital Management, Bank of New York Mellon	8.0
4	US	Liquidity Group	Business Solutions	475	Apollo Global Management, MUFG Innovation Partners, Spark Capital	0.8*
5	US	Circle (Financial Software)	Blockchain/Crypto	400	BlackRock, Fidelity Management & Research, Fin Capital, Marshall Wace	~9.0**
6	Luxembourg	Bloom	Lending	306	Credo Capital Partners, Fortress Investment Group	-
7	Brazil	Neon	Payments+	300	Banco Bilbao Vizcaya Argentaria	1.0
8	US	Acorns	Financial Markets	300	TPG, Bain Capital Ventures, BlackRock	1.8
9	Brazil	Creditas	Lending	260	Fidelity Management & Research, SoftBank Group, Kaszek, QED Investors, Wellington Management	4.8
10	France	Alma	Payments+	239	Bpifrance, Cathay Innovation, Eurazeo, GR Capital, ISAI, Picus Capital, Roosh Ventures, Seaya Ventures, Tencent Holdings	-

**Data Source:** PitchBook, unless specified otherwise; \* based on an article published by CTech dated April 5, 2022; \*\* based on an article published by AltFi dated April 13, 2022, and Bloomberg dated April 12, 2022

**Note:** Please refer to the Methodology section at the end of the report to understand the fintech universe and its constituents as defined from the perspective of this report.

A blue-tinted image of the Statue of Liberty, showing the head and crown with spikes, and the draped robe. The image is positioned on the left side of the slide.

# Fintech

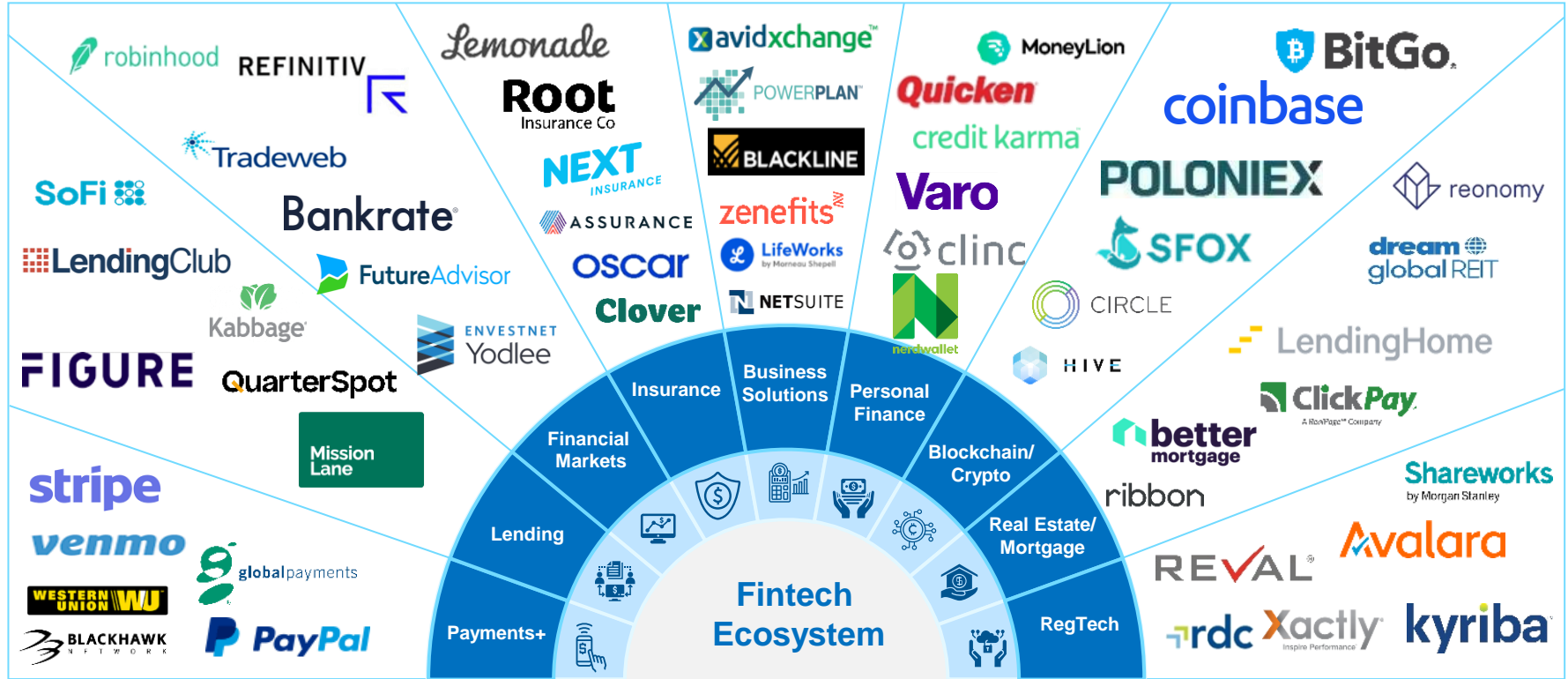
In 1H22, VC funding in  
fintech companies in  
North America reached

**\$7.8B**

across

**255 deals.**

# Fintech ecosystem – North America



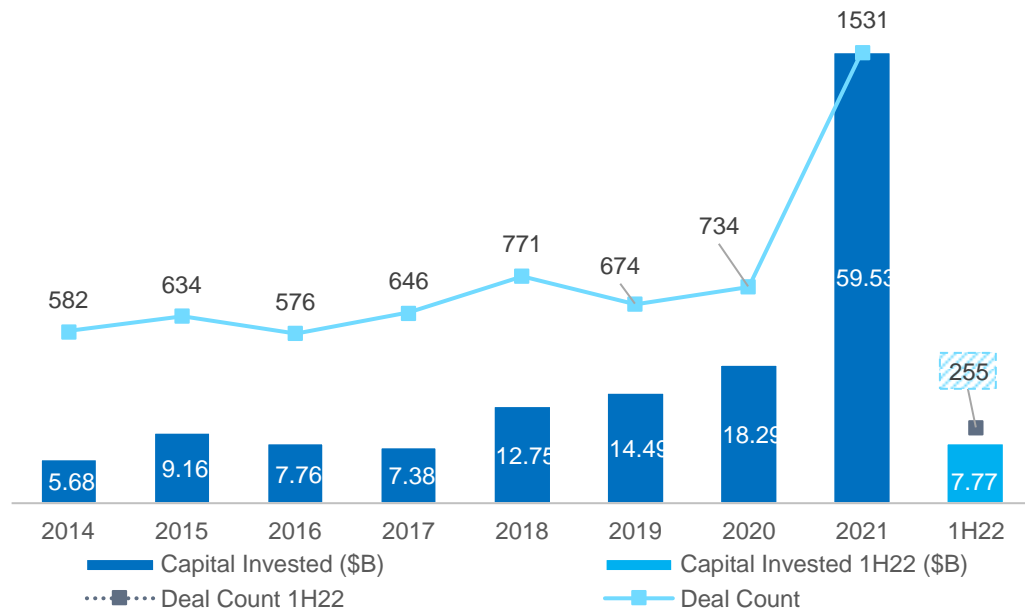


# Volatile deal activity in North American fintech space in 1H22

## North American VC funding in fintech companies

January 01, 2014–June 30, 2022

Currency in \$, unless otherwise specified



**Data Source:** PitchBook, unless specified otherwise

**Note:** Please refer to the Methodology section at the end of the report to understand the fintech universe and its constituents as defined from the perspective of this report.



Investments decelerated at a rapid pace in the North American fintech space, recording 69% degrowth from the same period last year.

In 1H22, 21 mega VC funding deals (>\$100M) were signed as opposed to 63 in 1H21. Total funding raised through these mega deals was 74% less in 1H22 compared to that in 1H21.

Majority of the investor dollars have been in the Payments+ segment (\$1.88B), closely followed by Business Solutions (\$1.58B), Blockchain/Crypto (\$1.45B), and Financial Markets (\$1.39B). Ramp, engaged in the Payments+ segment, led with a deal value of \$0.75B, followed by Fireblocks (\$0.55B) in Blockchain/Crypto, and Liquidity Group (\$0.48B) in Business Solutions.

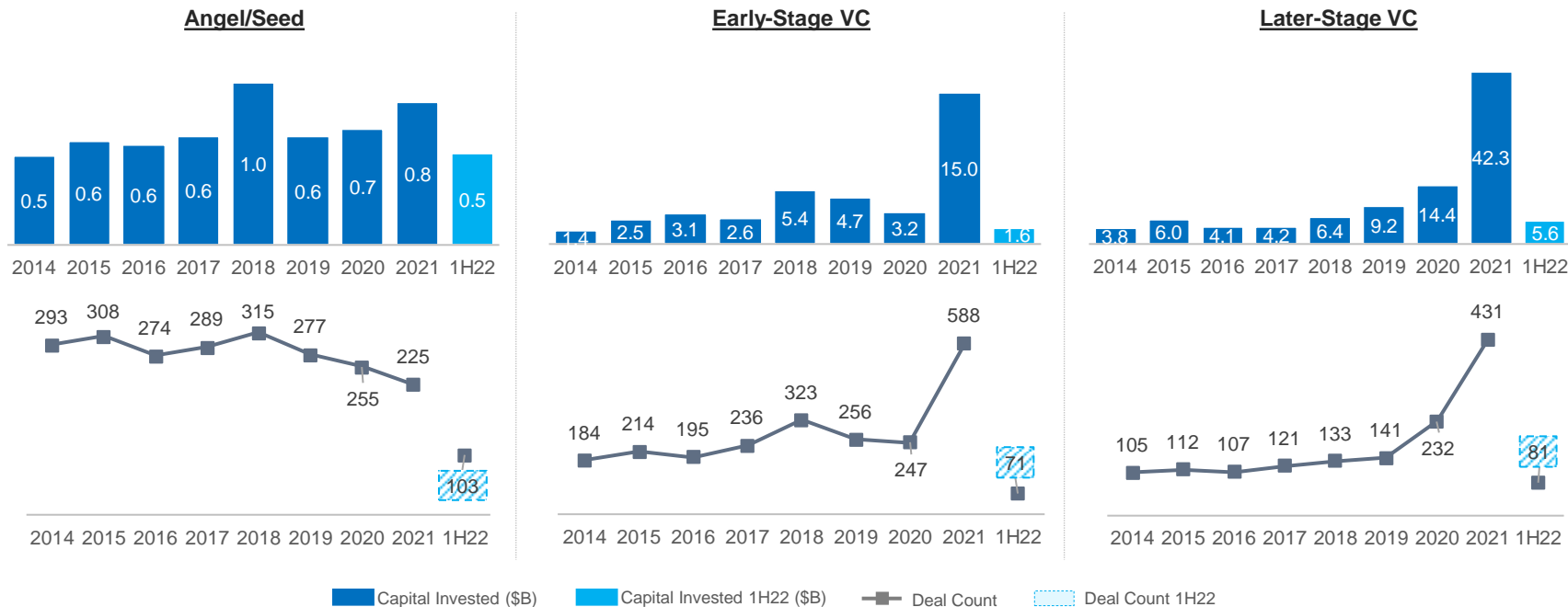
VC funding in Blockchain/Crypto nosedived from \$6.7B in 2021 to \$1.4B in 1H22 owing to the downturn in major cryptocurrencies and tokens.

# 1H22 funding plummets across VC stages

## North American VC funding in fintech companies: By funding stage

January 01, 2014–June 30, 2022

Currency in \$, unless otherwise specified



Data Source: PitchBook, unless specified otherwise

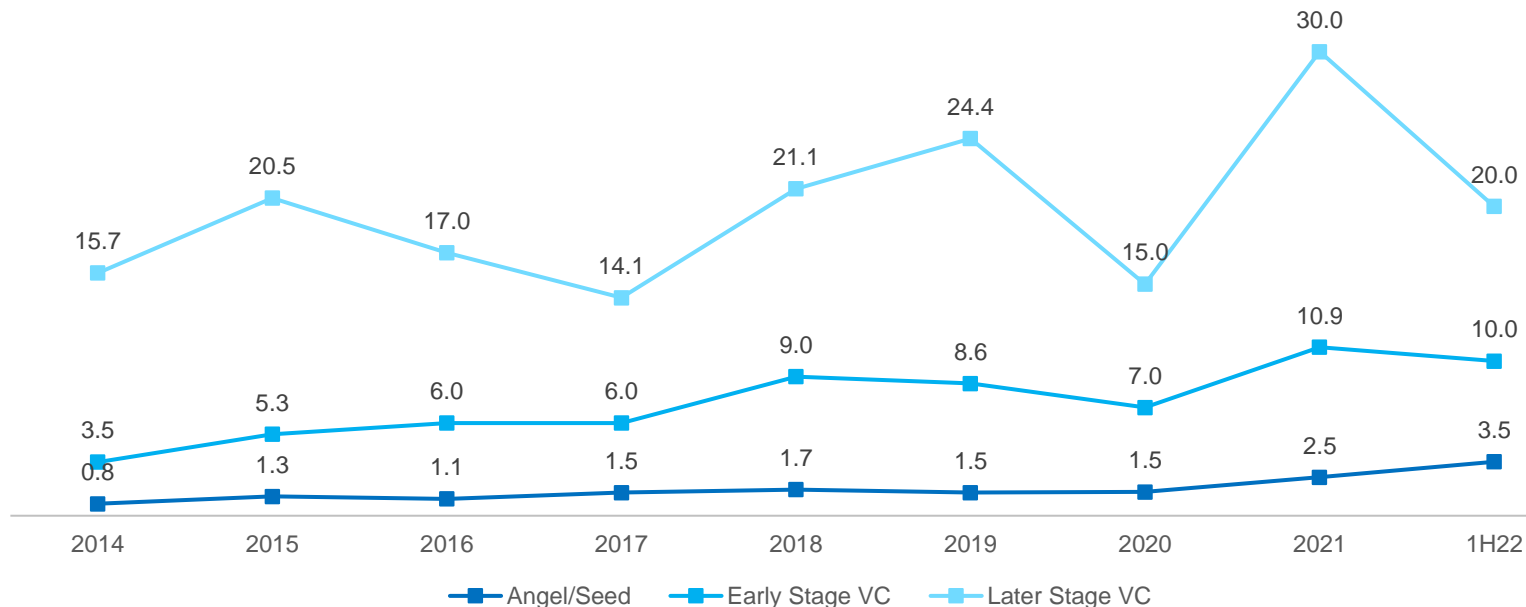
Note: Please refer to the Methodology section at the end of the report to understand the fintech universe and its constituents as defined from the perspective of this report.

# 40% increase in angel/seed-stage median deal size, but late-stage median deal size note a decline in 1H22

## North American VC funding median deal size: By funding stage

January 01, 2014–June 30, 2022

Currency in \$, unless otherwise specified



Data Source: PitchBook, unless specified otherwise

Note: Please refer to the Methodology section at the end of the report to understand the fintech universe and its constituents as defined from the perspective of this report.

# Top 10 VC funding deals in North America

## Top 10 VC funding deals in fintech: North America

January 01, 2020–June 30, 2022

S. No.	Region	Name	Verticals	Deal Size (\$M)	Key Investors	Post-Money Valuation (\$B)
1	New York	Ramp	Payments+	748	Founders Fund, D1 Capital Partners, Spark Capital	8.1
2	New York	Fireblocks	Blockchain/Crypto	550	D1 Capital Partners, Spark Capital, Altimeter Capital Management, Bank of New York Mellon	8.0
3	New York	Liquidity Group	Business Solutions	475	Apollo Global Management, MUFG Innovation Partners, Spark Capital	0.8*
4	Boston	Circle (Financial Software)	Blockchain/Crypto	400	BlackRock, Fidelity Management & Research, Fin Capital, Marshall Wace	~9.0**
5	Irvine	Acorns	Financial Markets	300	TPG, Bain Capital Ventures, BlackRock	1.8
6	New York	Jeeves	Payments+	180	Tencent Investment	2.3
7	New York	Lev	Real Estate/ Mortgage	170	Cross River Digital Ventures, Parker89	-
8	New York	Clear Street	Financial Markets	165	Prysm Capital	1.2
9	Menlo Park	Arc Technologies	Business Solutions	161	NFX	-
10	New York	Flex	Business Solutions	160	Tiger Global Management, Coatue Management, Detroit Venture Partners, Spark Growth Ventures	1.0

**Data Source:** PitchBook, unless specified otherwise; \* based on an article published by CTech dated April 5, 2022; \*\* based on an article published by AltFi dated April 13, 2022, and Bloomberg dated April 12, 2022

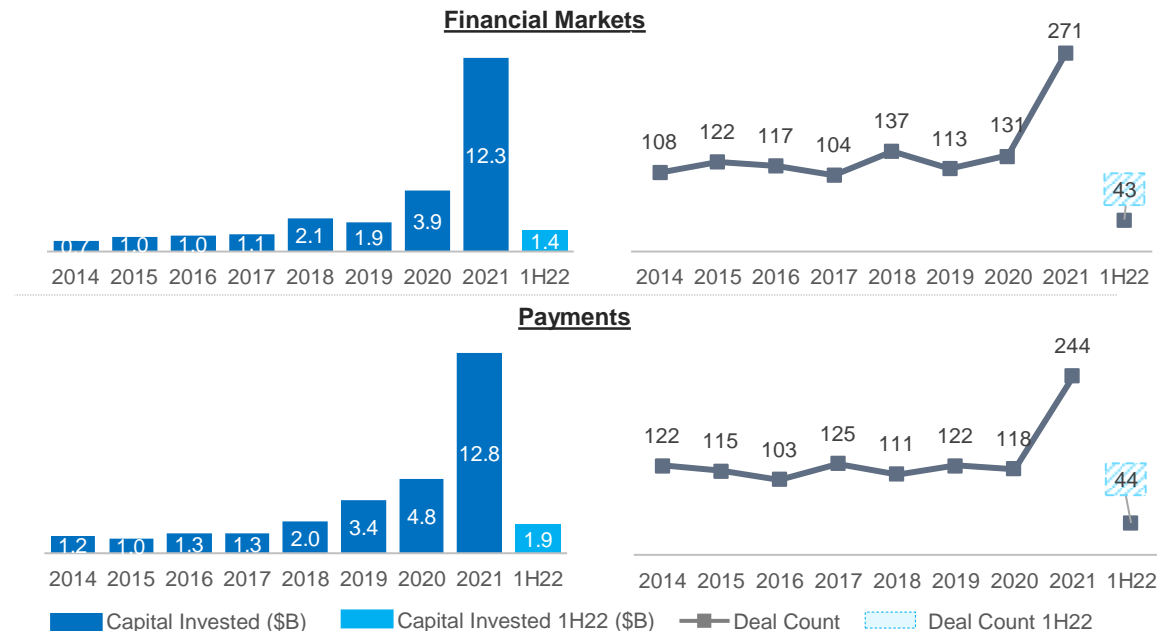
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# Focus on Financial Markets in North American fintech space diminishes amid market volatility

## North American VC funding in fintech companies: Financial Markets, Payments

January 01, 2014–June 30, 2022

Currency in \$, unless otherwise specified



Data Source: PitchBook, unless specified otherwise

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North American investors shifted their focus from Payments+ and Financial Markets to Blockchain/Crypto in 1H22.

Deal activities remained stable in Payments+ at pre-Covid levels, with five mega deals (>\$100M) amounting to \$1.3B in 1H22. However, Financial Markets registered a decline, with five mega deals (>\$100M) valued at \$0.8B in 1H22.

Increased market volatility due to the ongoing macroeconomic conditions has factored in the investment risk associated with institutional as well as retail investors.

Most investments in 1H22 were in Blockchain/Crypto, which would accelerate the growth of companies operating in this segment in the coming years. Fireblocks, a blockchain security platform, secured a huge mega-funding of \$0.5B. Circle, another cryptocurrency-based fintech firm, raised \$0.4B with the aim of exploring new avenues for USD coin adoption in TradFi capital market applications.

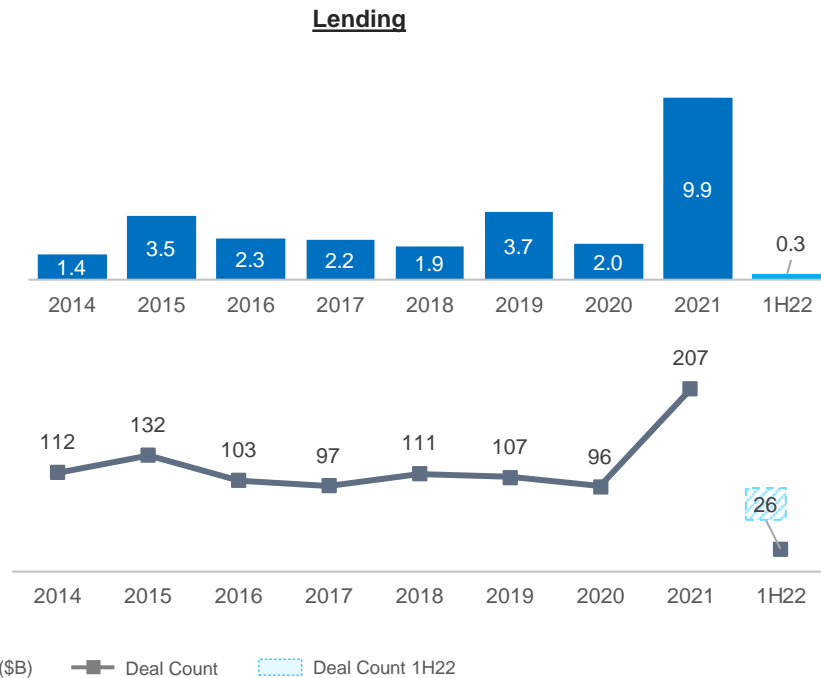
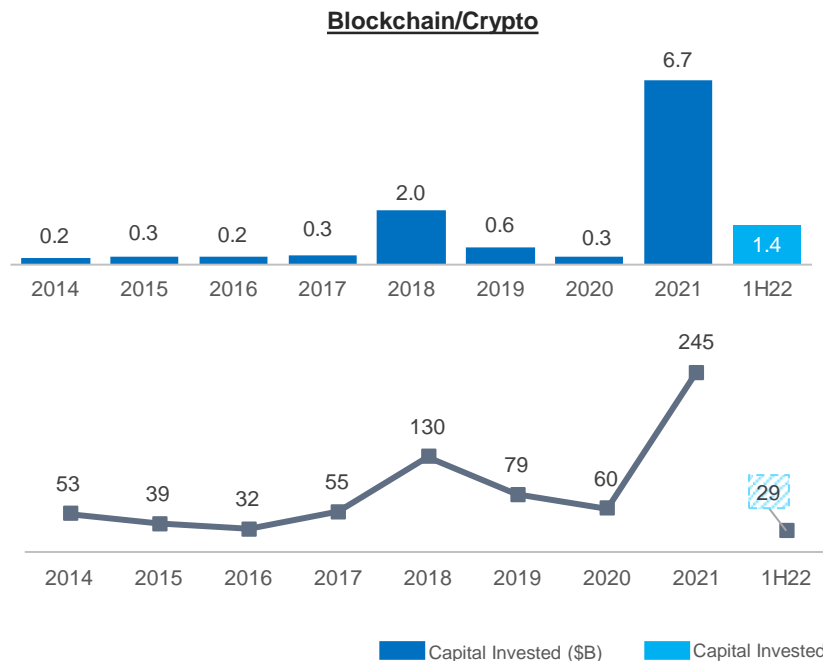


# The struggling Blockchain/Crypto market attracts two major deals accounting for 67% of total funding, overall segment at historic lows

## North American VC funding in fintech companies: Blockchain/Crypto, Lending

January 01, 2014—June 30, 2022

Currency in \$, unless otherwise specified



Data Source: PitchBook, unless specified otherwise

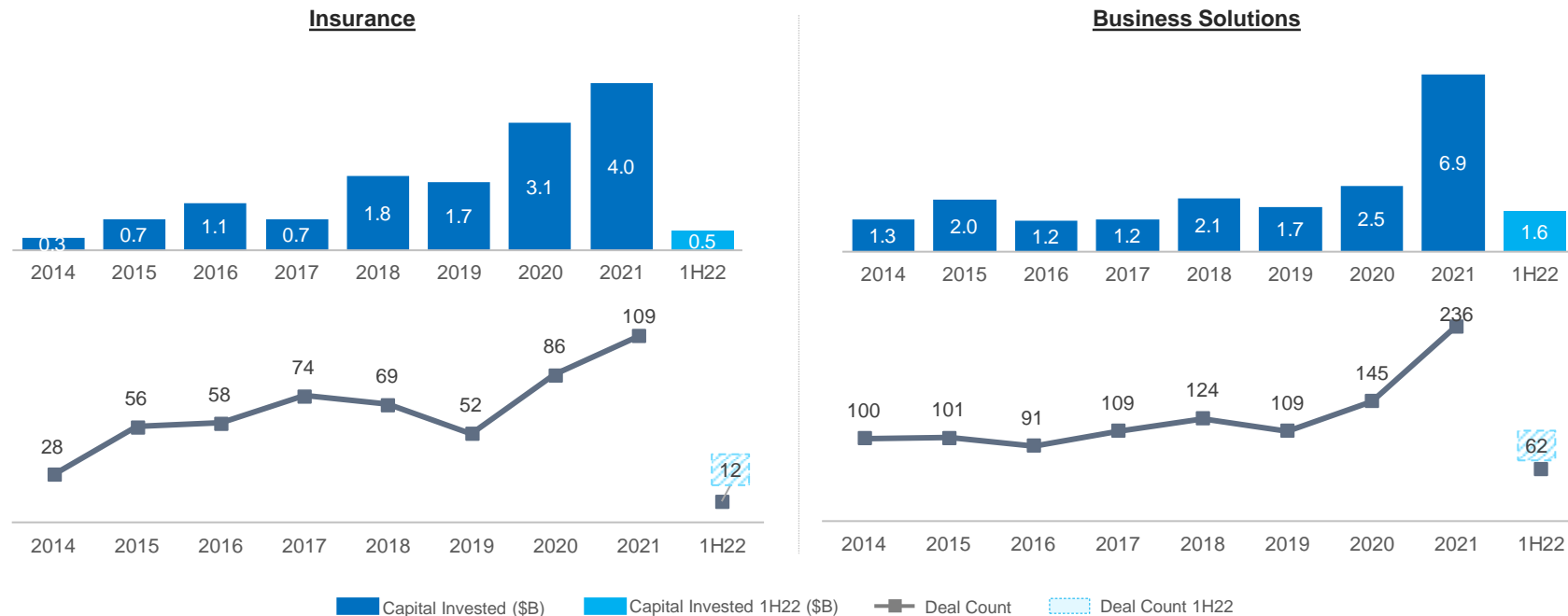
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# Slowdown in Insurance, Business Solutions segments

## North American VC funding in fintech companies: Insurance, Business Solutions

January 01, 2014–June 30, 2022

Currency in \$, unless otherwise specified



Data Source: PitchBook, unless specified otherwise

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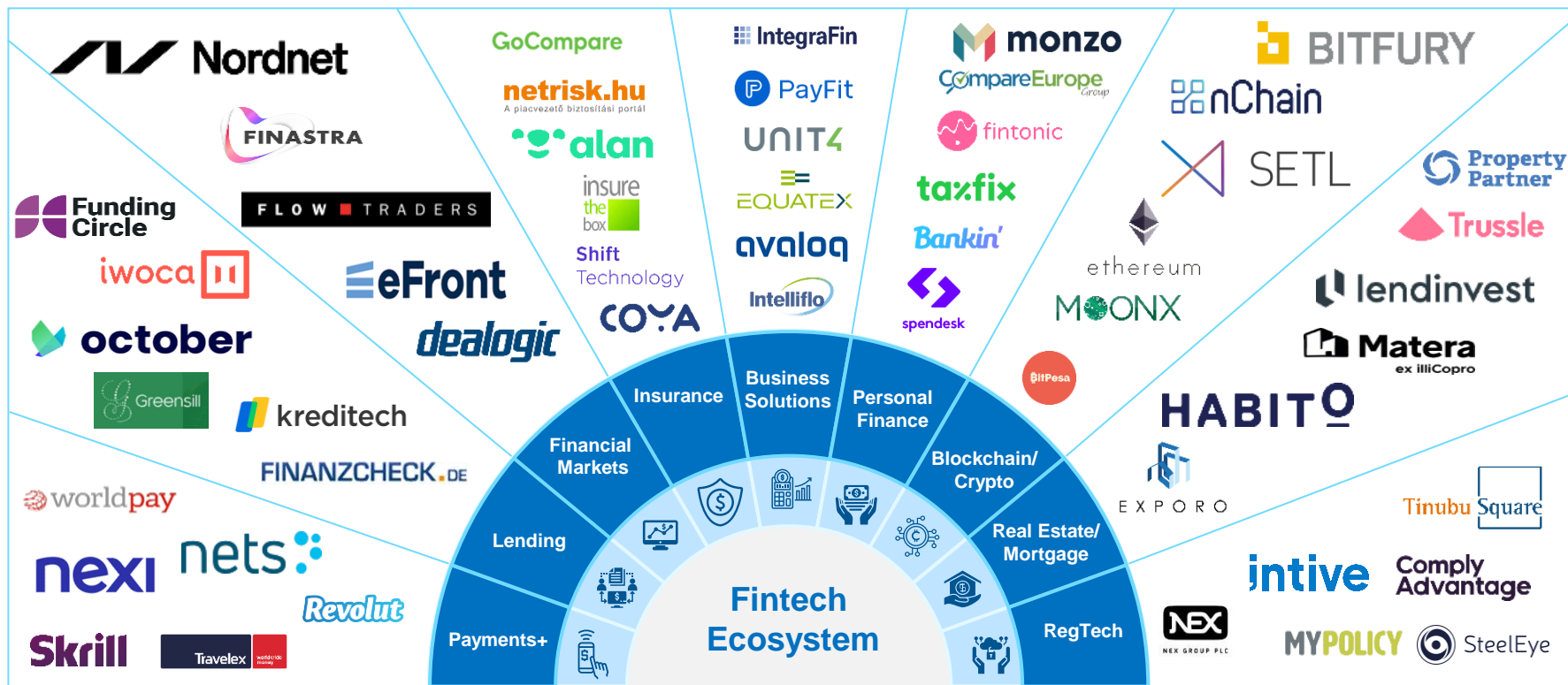
In 1H22, VC funding in  
fintech companies in  
Europe reached

**\$4.4B**

across

**159 deals.**

# Fintech ecosystem – Europe

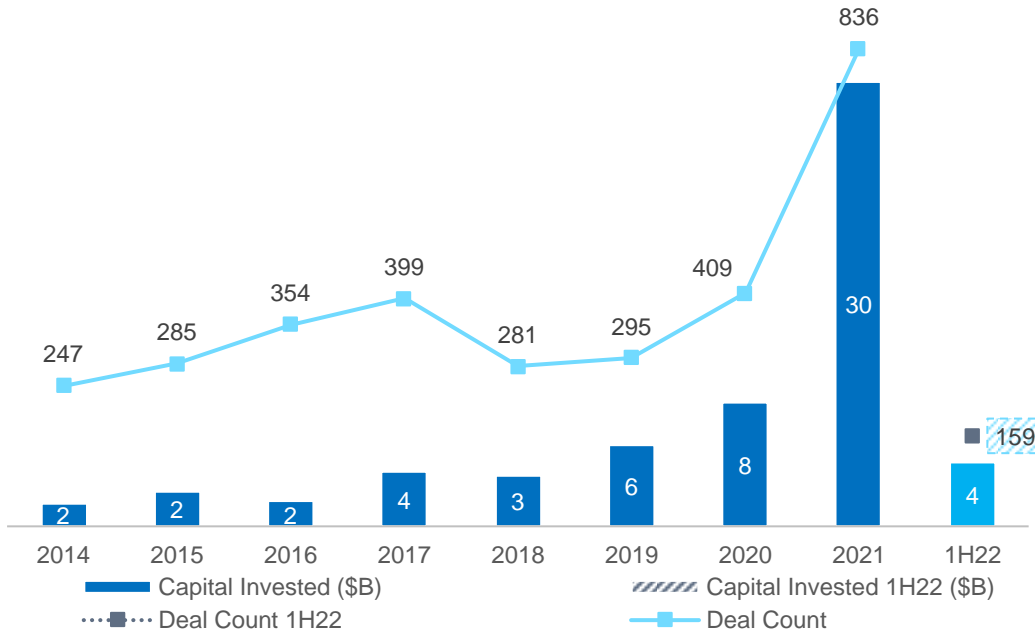


# Fintech funding in Europe declined in 1H22

## European VC funding in fintech companies

January 01, 2014–June 30, 2022

Currency in \$, unless otherwise specified



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Europe's fintech companies continued to grow, despite multiple pandemic waves, and recorded the largest funding in 2021. However, the companies witnessed a collapse in 1H22 with a 56% decline in volume and 66% decline in value.

Financial Markets outperformed Payments+ as the leader of the fintech space. Fintech companies raised \$1.75B, of which \$1.5B worth of mega deals (>\$100M) in 1H22 came from Financial Markets, mostly through late-stage VC. As the pandemic encouraged the digitization of financial services, investors and consumers alike displayed appetite for capital markets and wealth management solutions.

Trade Republic, the European neobroker equivalent of US unicorn Robinhood, led a Series C VC round of \$1.15B to boost product innovation, resulting in it being the largest deal in Europe in 1H22.

Payments+ and Lending, the other leaders raised \$0.8B each in funding.

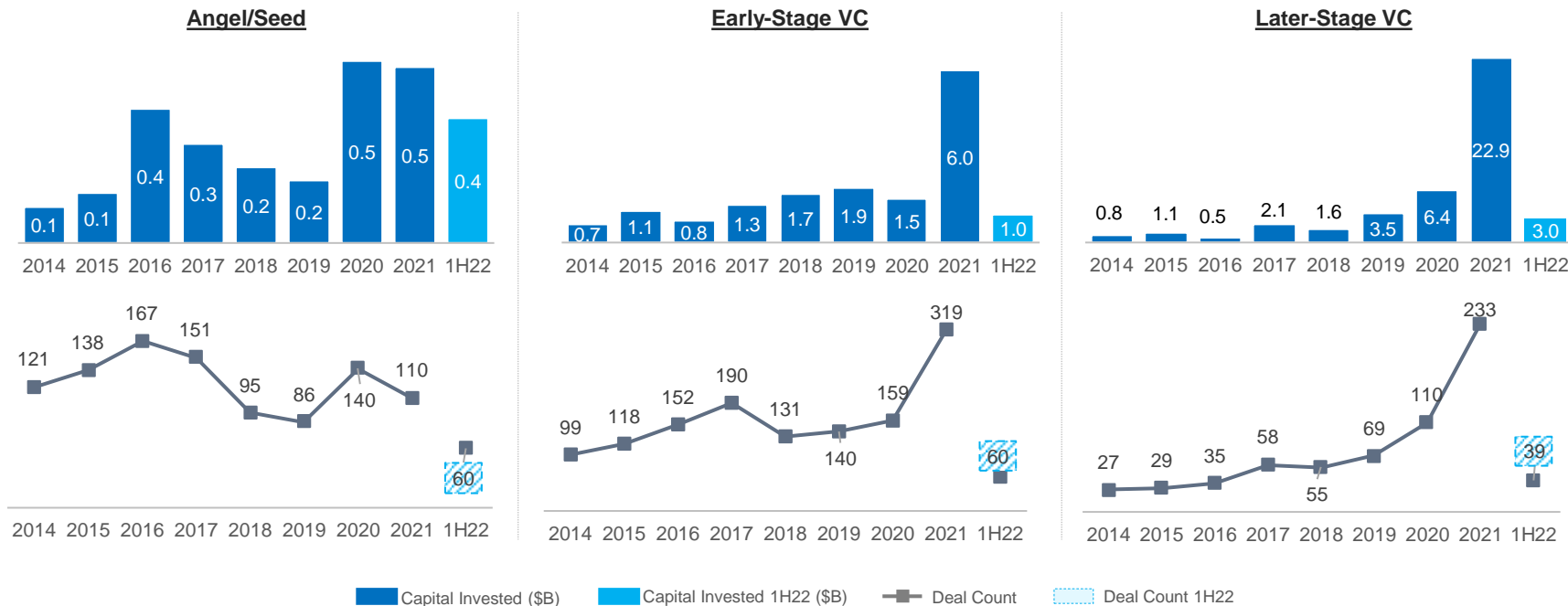


# Exponential growth witnessed in angel/seed stage

## European VC funding (no. of deals) in fintech companies: By funding stage

January 01, 2014–June 30, 2022

Currency in \$, unless otherwise specified



Data Source: PitchBook, unless specified otherwise

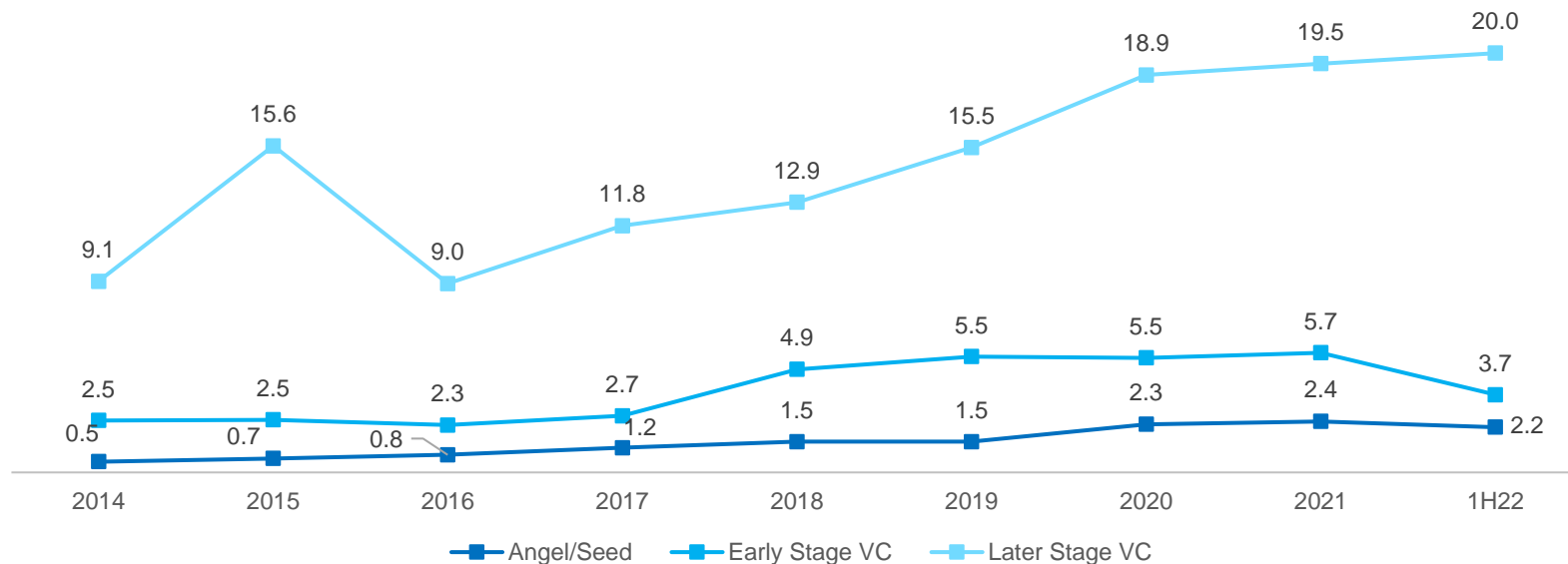
Note: Please refer to the Methodology section at the end of the report to understand the fintech universe and its constituents as defined from the perspective of this report.

# Median deal size reaches an all-time high for late-stage VC funding in 1H22

## European VC funding median deal size: By funding stage

January 01, 2014–June 30, 2022

Currency in \$, unless otherwise specified



Data Source: PitchBook, unless specified otherwise

Note: Please refer to the Methodology section at the end of the report to understand the fintech universe and its constituents as defined from the perspective of this report.

# Top 10 VC funding deals in Europe

## Top 10 VC funding deals in fintech: Europe

January 01, 2022–June 30, 2022

S. No.	Region	Name	Verticals	Deal Size (\$M)	Key Investors	Post-Money Valuation (\$B)
1	Germany	Trade Republic	Financial Markets	1,153	Ontario Teachers' Pension Plan, Sequoia Capital, Founders Fund	5.3
2	Luxembourg	Bloom	Lending	306	Credo Capital Partners, Fortress Investment Group	-
3	France	Alma	Payments+	239	Eurazeo, Tencent Holdings	-
4	Germany	Taxfix	Personal Finance	220	Ontario Teachers' Pension Plan	1.0
5	UK	Genesis	Financial Markets	200	Tiger Global Management	-
6	UK	PrimaryBid	Financial Markets	190	SoftBank Group, Fidelity International Strategic Ventures, London Stock Exchange Group, OMERS Ventures	0.7
7	Sweden	Ark Kapital	Lending	182	LocalGlobe	-
8	UK	Thought Machine	Business Solutions	160	Temasek Holdings, JPMorgan Chase, Lloyds Banking Group, Morgan Stanley, Intesa Sanpaolo	2.7
9	UK	Modulr (Financial Software)	Payments+	137	General Atlantic, PayPal Ventures	-
10	Netherlands	Moove Africa	Lending	105	Left Lane Capital, Speedinvest, thelatest.ventures	-

*Data Source: PitchBook, unless specified otherwise*

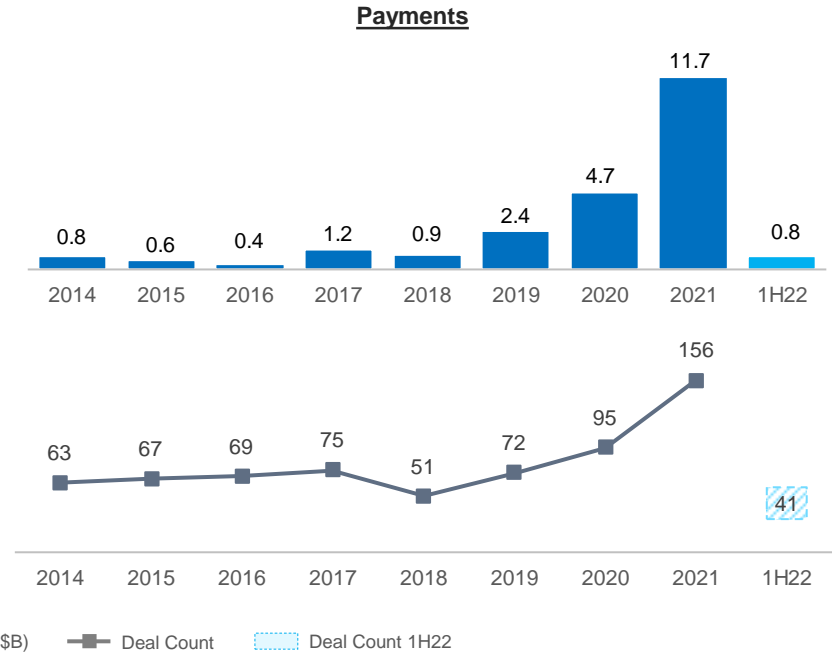
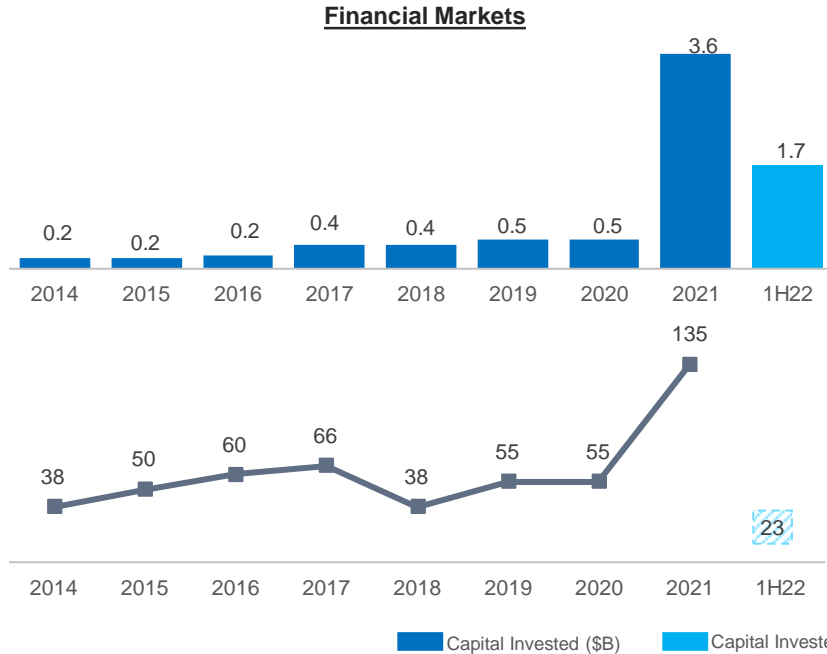
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# Stellar growth in Financial Markets, but decline in Payments

## European VC funding in fintech companies: Financial Markets, Payments

January 01, 2014–June 30, 2022

Currency in \$, unless otherwise specified



Data Source: PitchBook, unless specified otherwise

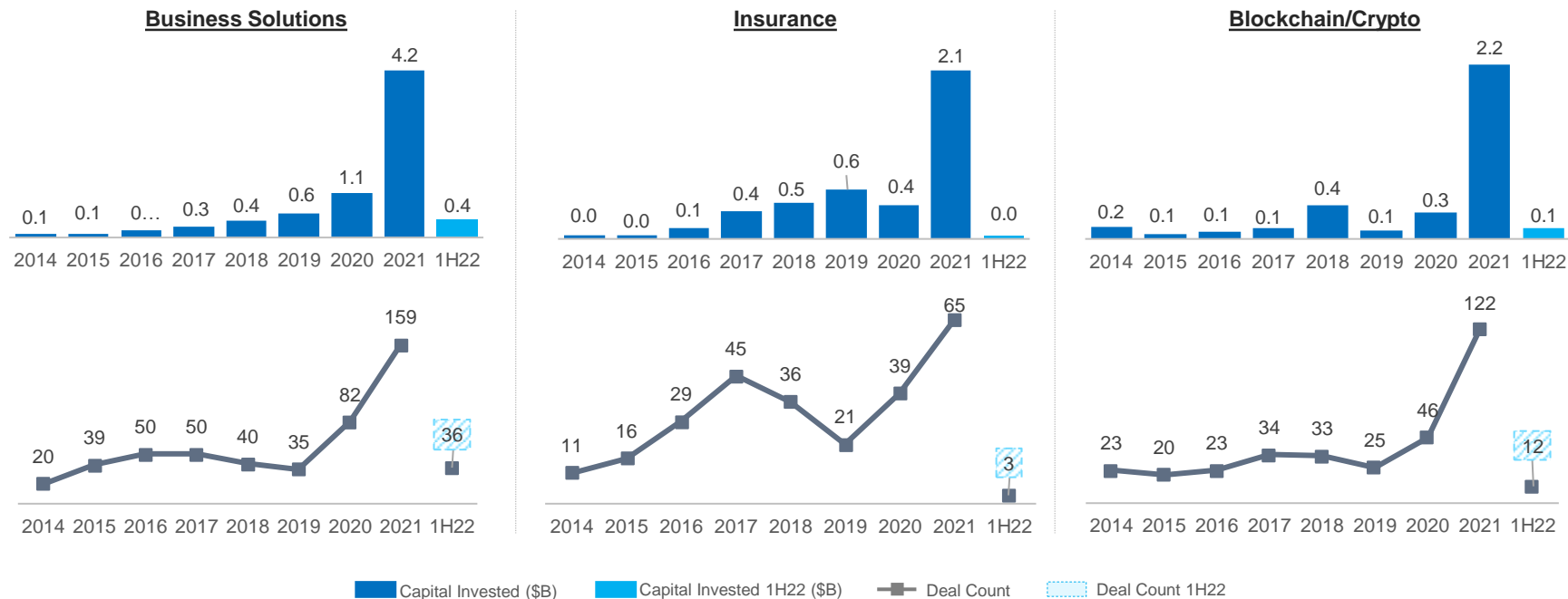
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# Blockchain/Crypto, Insurance at historic lows; Business Solutions on steady pre-bull market trend

## European VC funding in fintech companies: Lending, Insurance, Business Solutions

January 01, 2014–June 30, 2022

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Data Source: PitchBook, unless specified otherwise

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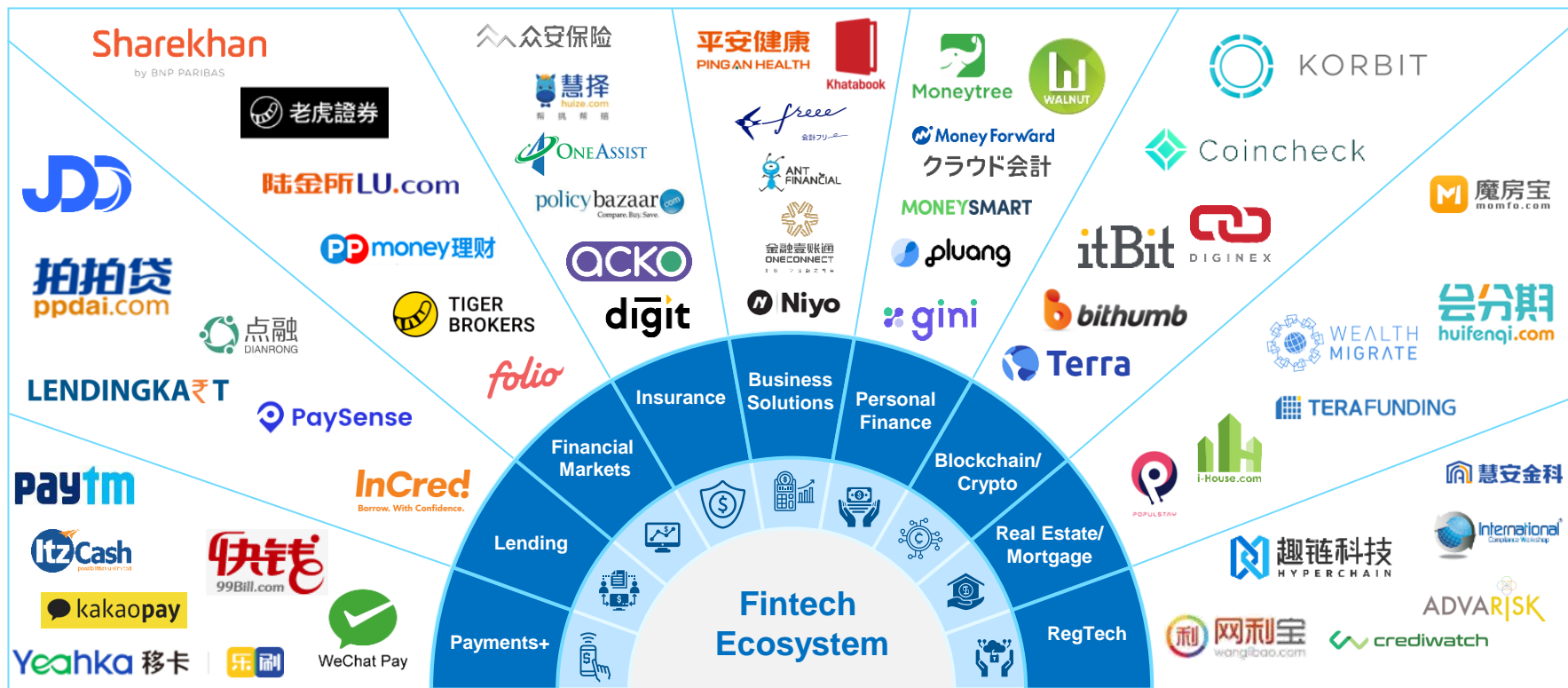
In 1H22, VC funding in  
fintech companies in  
Asia reached

**\$2.2B**

across

**111 deals.**

# Fintech ecosystem – Asia

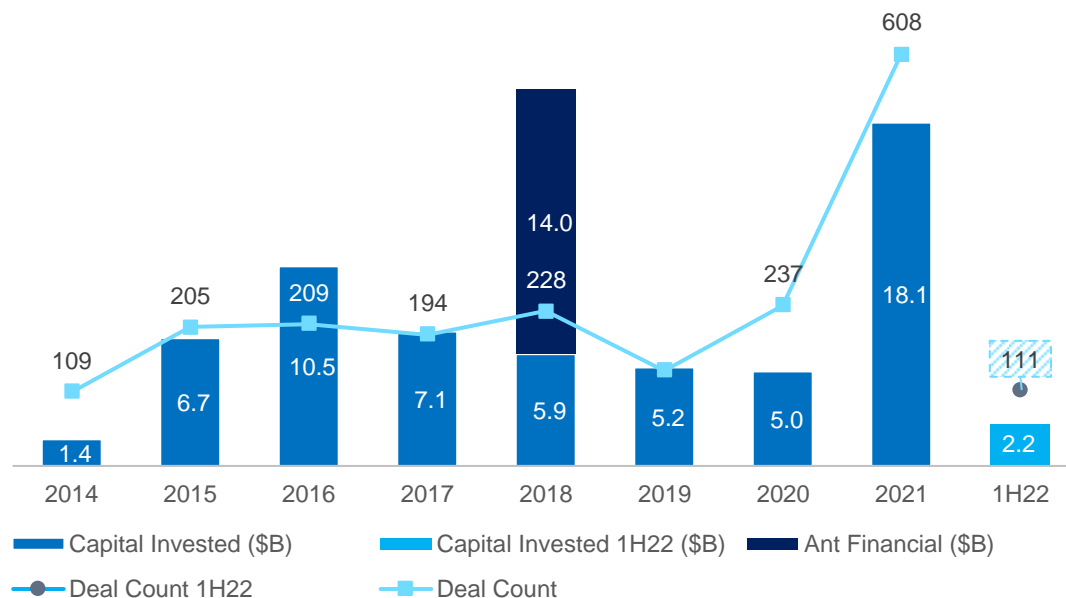


# VC funding on downward trajectory in 1H22

## Asian VC funding in fintech companies

January 01, 2014–June 30, 2022

Currency in \$, unless otherwise specified



**Data Source:** PitchBook, unless specified otherwise

**Note:** Please refer to the Methodology section at the end of the report to understand the fintech universe and its constituents as defined from the perspective of this report.



The amount of venture capital raised by fintech companies in Asia was on the decline, with deal volume and value reducing 2x compared to 1H21 levels. Moreover, the median deal size decreased to \$5.1M in 1H22 from \$5.8M in 1H21.

The investment momentum in Personal Finance and Business Solutions continues to be on the back burner for VC investors in Asia. Blockchain/Crypto and Real Estate/Mortgage, on the other hand, observed exponential growth, registering a 253% and 295% surge from 1H21. This indicates an increased acceptance of crypto-related platforms and investment vehicles in the stock market and over-the-counter market by retail and institutional investors. Investors are focusing on real estate-based fintech platforms as Covid-19 restrictions eased, with growing emphasis on commercial real estate.

Investors remain bullish in India, Indonesia, and Singapore, recording the largest investor dollars. In contrast, the Chinese fintech space has declined, accounting for only 3% of funding (vis-à-vis 17% in 1H21).

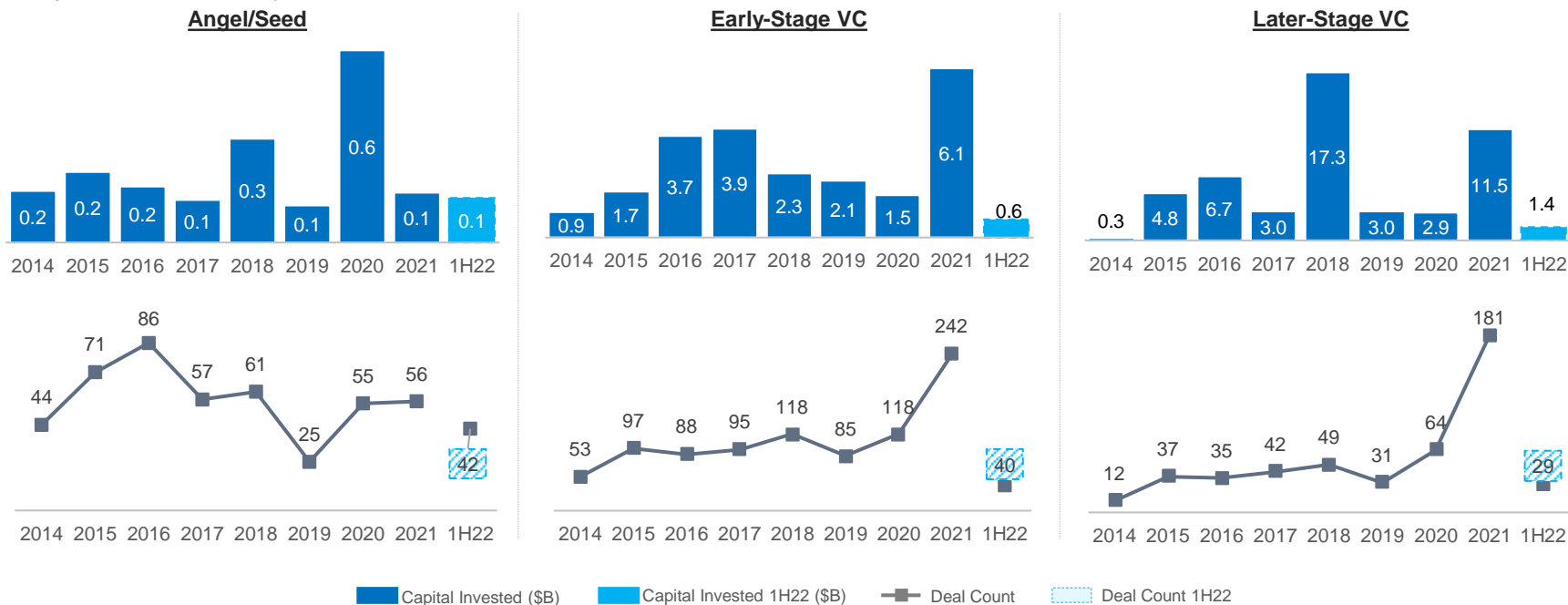
Singapore is gaining traction in this space with a 22% increase in deal activity since 1H21. Adoption of digital banking and government initiatives to promote fintech has made Singapore a lucrative, promising strategic gateway to the Asian market.

# Robust angel/seed-stage funding; early and late-stage deals have a noticeable decline in 1H22

## Asian VC funding (no. of deals) in fintech companies: By funding stage

January 01, 2014–June 30, 2022

Currency in \$, unless otherwise specified



Data Source: PitchBook, unless specified otherwise

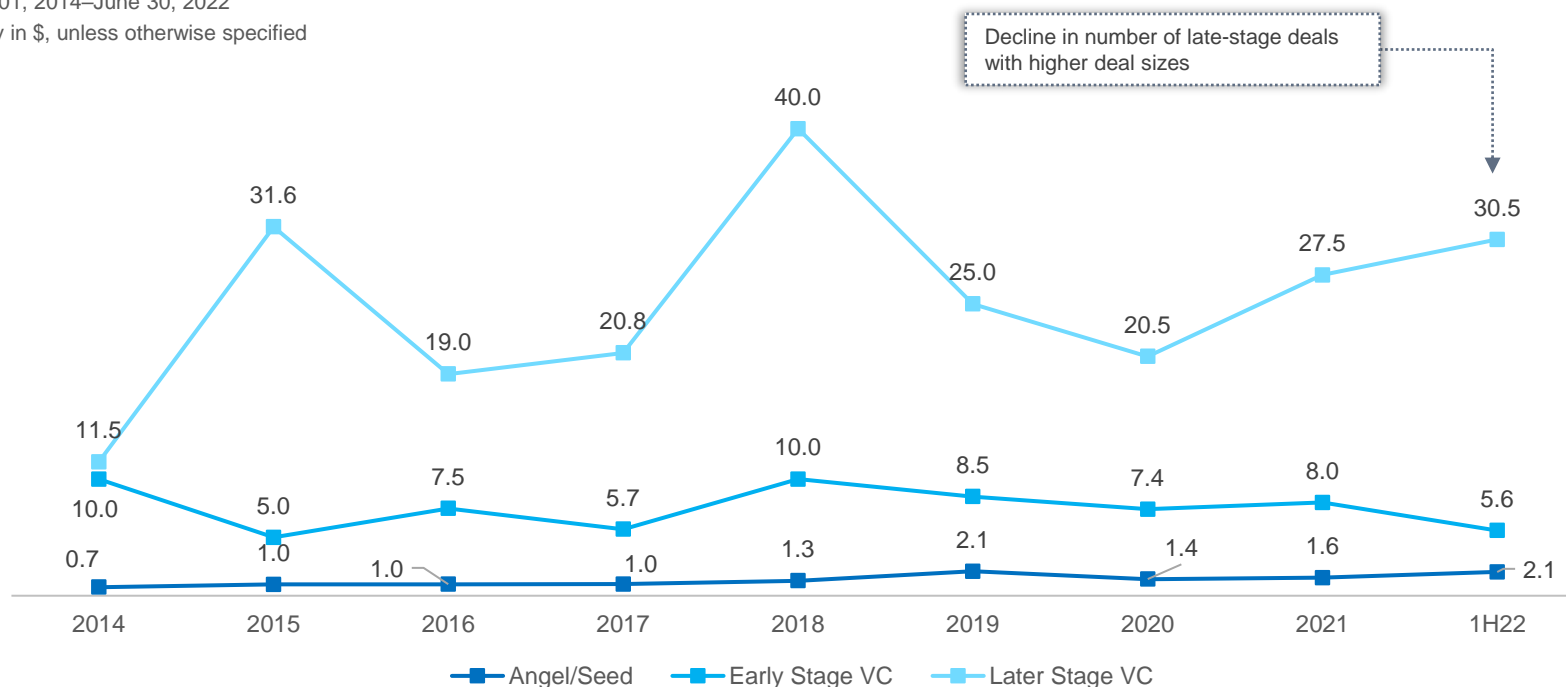
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# Late-stage, angel/seed-stage deal sizes continue to expand in 1H22

## Asian VC funding median deal size: By funding stage

January 01, 2014—June 30, 2022

Currency in \$, unless otherwise specified



Data Source: PitchBook, unless specified otherwise

Note: Please refer to the Methodology section at the end of the report to understand the fintech universe and its constituents as defined from the perspective of this report.

# Top 10 global VC funding deals in Asia

## Top 10 VC funding deals in fintech: Asia

January 01, 2022–June 30, 2022

S. No.	Region	Name	Verticals	Deal Size (\$M)	Key Investors	Post-Money Valuation (\$B)
1	Singapore	Amber Group	Blockchain/Crypto	200	Temasek Holdings, Sequoia Capital China, Tiger Global Management	3.0
2	India	Oxyzo	Lending	200	Alpha Wave Global, Tiger Global Management	1.0
3	Singapore	Tonik	Payments+	131	Mizuho Bank, Sequoia Capital India, Sixteenth Street Capital	-
4	Indonesia	Flip (Financial Software)	Payments+	103	Insight Partners, Insignia Venture Partners, Sequoia Capital, Tencent Holdings	-
5	India	Niyo	Business Solutions	100	Accel, Lightrock	0.4
6	India	OneCard	Lending	100	Temasek, QED, Sequoia Capital, Hummingbird Ventures*	1.5
7	Indonesia	Bibit	Personal Finance	80	GIC, Sequoia Capital India, Tencent Holdings	-
8	India	Money View	Personal Finance	75	Tiger Global Management	0.6
9	Hong Kong	Micro Connect	Business Solutions	70	Keywise Capital Management, Lenovo Capital and Incubator Group, Sequoia Capital China	-
10	India	Perfios	Business Solutions	70	Bessemer Venture Partners, Warburg Pincus	2.0

**Data Source:** PitchBook, unless specified otherwise; \* based on an article published by Business Standard dated July 15, 2022

**Note:** Please refer to the Methodology section at the end of the report to understand the fintech universe and its constituents as defined from the perspective of this report.

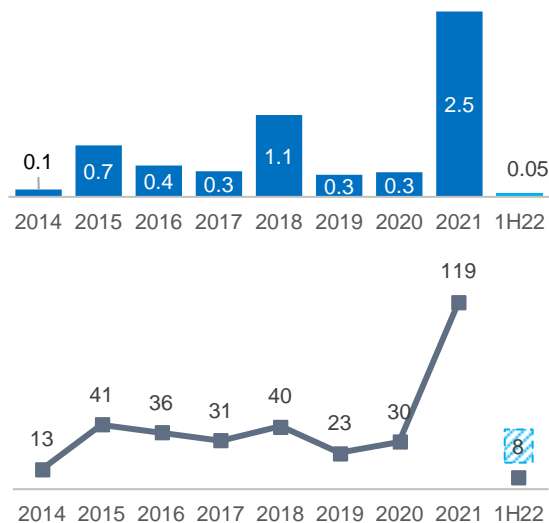
# Significant contraction in Financial Markets in 1H22 after being investors' favorite in 2021

## VC funding in fintech: Diverse verticals

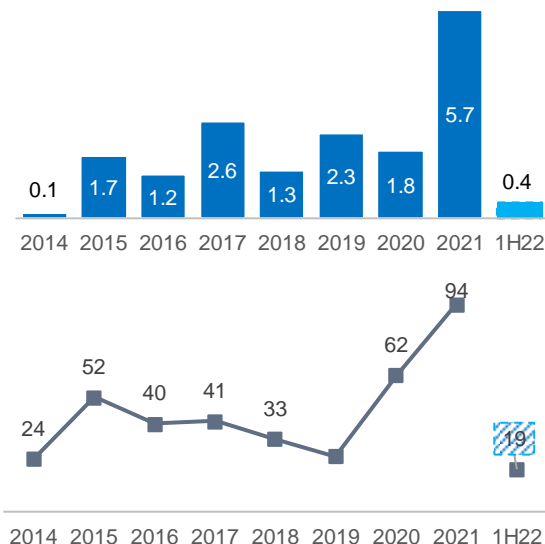
January 01, 2014–June 30, 2022

Currency in \$, unless otherwise specified

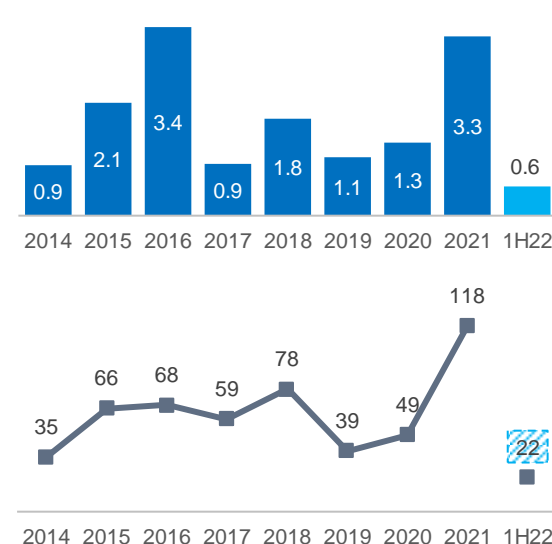
### Financial Markets



### Payments



### Lending



■ Capital Invested (\$B)

■ Capital Invested 1H22 (\$B)

■ Deal Count

■ Deal Count 1H22

Data Source: PitchBook, unless specified otherwise

Note: Please refer to the Methodology section at the end of the report to understand the fintech universe and its constituents as defined from the perspective of this report.



# Methodology



- The underlying deal data used in the report was sourced from PitchBook. Only transactions with a “completed” status were considered.
- **Fintech Data Selection Criteria**
  - All transactions classified under the fintech vertical by PitchBook were selected. We also considered transactions based on search results that included keywords such as fintech, financial technology, finance technology, and financial service technology.
  - We specifically reviewed details such as business description, original classification, deal value, and nature of deal for all transactions with a deal value exceeding or equal to \$1B using publicly available articles and/or the company website. The data was used to make a reasonable judgment about their inclusion or exclusion within the broader fintech universe as well as the verticals/segments therein.
- **Categorization of Deal Type**
  - For the purposes this report, we focus on fintech deals primarily of three types as per PitchBook classification: venture capital (VC), private equity (PE), and mergers and acquisitions (M&As). All other deal type classifications including, but not limited to, secondary transaction, accelerator/incubator, debt-financed, joint venture (JV), and publicly listed were not considered in this report.
- **Venture Capital**
  - For the purposes of this report, we observed the deal type and deal universe reported by PitchBook for each deal. Based on Aranca's analysis, the deals tagged as early-stage VC, late-stage VC, angel (individual), restart-angel, seed round, and corporate were classified as VC deals.
- **Venture Capital Stages**
  - Angel/seed deals include those tagged by PitchBook as angel (individual) and seed rounds.
  - Early-stage deals include those tagged by PitchBook as early stage, which mostly include Series A and Series B companies. VC corporate deals of size less than \$5M that did not contain any specific tag for early or late stage (about 1% of total VC deals) within PitchBook data were categorized as early stage.
  - Late-stage deals include those tagged by PitchBook as late stage, which typically represent Series C (and above) transactions. Furthermore, in the absence of specific classification, VC corporate deals of size greater than or equal to \$5 million (about 1% of total VC deals) were categorized as late stage.
  - In this report, an accelerator/incubator is not part of the VC universe.

# Methodology (continued)

## Categorization of Industry Segments

All fintech deals have been classified under nine segments: payments, lending, insurance, financial markets (wealth management and capital markets), personal finance, business solutions, RegTech, real estate/mortgage, and blockchain/crypto.

The companies were classified based on the business description provided by PitchBook or the company website.

1. Payments+: Companies that provide payment and money transfer solutions, wallets, point-of-sale systems, credit cards, etc.
2. Lending: Companies that provide loans or a marketplace for lending, working capital, or any type of business financing, peer-to-peer (P2P) lending, crowdfunding, etc.
3. Insurance: Companies that provide insurance or technology/marketplace for all types of insurance products, insurance-enabling solutions, etc.
4. Financial markets (wealth management and capital markets): Companies that provide advisory and portfolio management services, investment management firms, financial data and analytics, trading or brokerage firms, etc.
5. Personal finance: Companies that provide expense trackers, budget management apps, financial literacy apps, etc.
6. Business solutions: Companies that provide business process-enabling systems or technology such as payroll systems, accounting, and companies that do not fall into any of the previously mentioned categories
7. RegTech: Companies that provide solutions for regulatory compliance, risk management, assistance in audit, etc.
8. Real estate/mortgage (PropTech): Companies that provide rent payment solutions, real estate advisory, mortgage-related tech, etc.
9. Blockchain/Crypto: Companies that offer cryptocurrency/blockchain-related services or technology

Important Note: 1H22 deals until June 30, 2022, only

Based on the dynamic nature of the industry and companies operating in the fintech space, we have reclassified some of the companies (and their corresponding deal activity) in this edition of the report.

# Glossary

Fintech	Financial Technology
1H22	First Half of 2022
1H21	First Half of 2021
VC	Venture Capital
PE	Private Equity
M&A	Merger and Acquisitions
YoY	Year over Year
QoQ	Quarter over Quarter



500+

Strong, professional teams across multi-disciplinary domains

2500+

Global clients

120+

Sectors and sub-sectors researched by our analysts

80+

Countries where we have delivered projects

Aranca is a trusted research and advisory partner to global companies, from the hottest startups to the Fortune 500.

## PRACTICE AREAS



### Growth Advisory

CXOs in Strategy, SBUs, Sales, Marketing, CI/MI, Innovation



### Technology | IP Research & Advisory

R&D, Tech Scouting, Open Innovation, IP Teams, Product Development



### Valuation & Financial Advisory

CFOs in Startups, PE/VC Firms, Corporate M&A Teams, Mid-market Cos.



### Investment Research & Analytics

Brokerage, Hedge Funds, IRPs, I-Banks, AMCs, Investor Relations

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