

# Fintech Quarterly Report

Q3 2021

October 2021



## Previous reports.

Fintech-enabled marketplaces 2021

The State of European  
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Navigating Covid-19

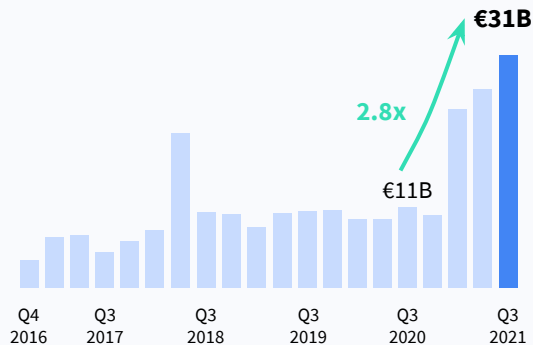
The Future of Fintech in Southeast  
Asia

# What happened in fintech in Q3 2021.

## €31B raised in Q3 2021, the best quarter ever for fintech.

Fintech companies raised €31B in Q3 2021, all-time high and 2.8x compared to Q3 2020. This astonishing growth has been mainly driven by megarounds, which accounted for more than 60% of all funding. Fintech VC funding has more than doubled in the US and Europe, Africa and Oceania are the fastest-growing markets for fintech investment, up 64x and 6.6x year-on-year respectively in Q3 and Asia and LatAm are ramping up again too.

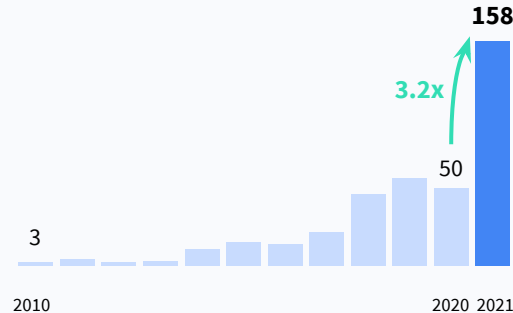
### Global VC investment in fintech by quarter



## There are now 393 fintech unicorns globally, 158 were born just in 2021.

Almost 2 unicorns every 3 days have been created in fintech in 2021. 158 unicorns have been created in 2021, compared to “just” 50 in 2020, a 3.2x increase. 40% of all fintech unicorns have been created in 2021 already. This steep acceleration has been driven by a wave of megarounds and rising valuations.

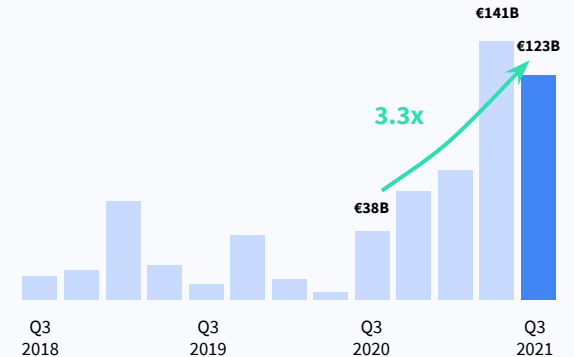
### Number of new fintech unicorns by year



## Exits remain strong in Q3 2021 with €124B of value, second best quarter ever.

Fintech exits in 2021 have totalled almost €342B of value, already 3x from last year. The increase have been mainly driven by IPOs such as Robinhood and Toast in Q3, but also acquisitions remain strong such as Afterpay. Fintech SPACs have also started to hit the market in 2021.

### Combined valuation of fintech exits by quarter

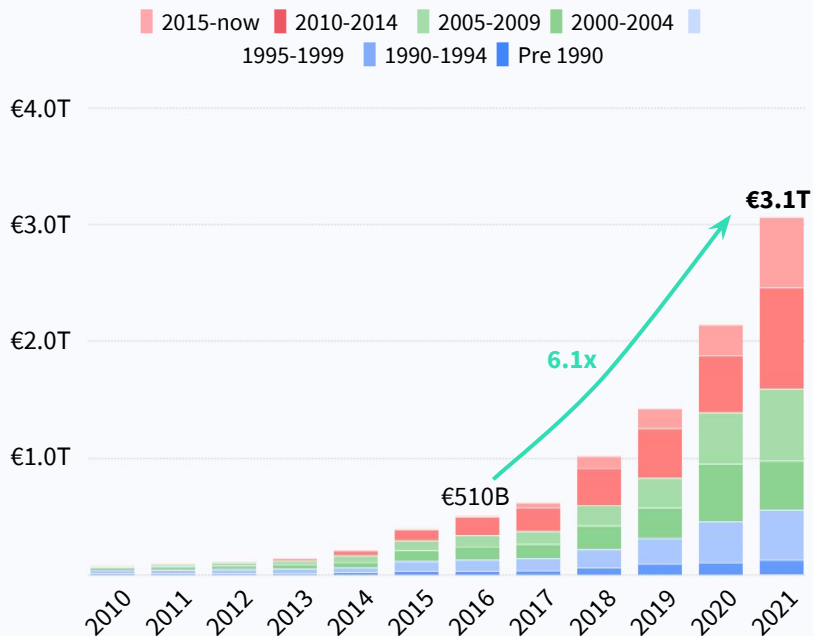


**1**

# **Value and Venture Capital**

# Fintech startups have surged to a combined value of €3.1 trillion, up 6x since 2016.

Combined enterprise value of fintech startups by launch year



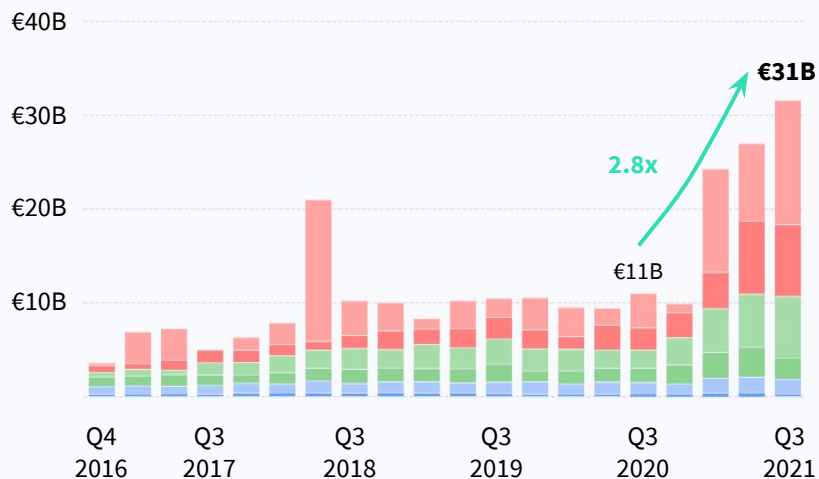
See the most valuable companies: [» view online](#)

NAME	MARKET	TYPE	GROWTH SIGNAL	LAUNCH DATE
<b>PayPal</b> ★ Online payment solutions	B2B fintech payments	artificial intelligence commission	34k	1998
<b>Ant Group</b> Providers of micro lending and mo...	B2C fintech mortgages & lending payments	artificial intelligence commission	2,897	Dec 2004
<b>Square</b> ★ Offers an easy to use, free credit ca...	B2B fintech payments	machine learning artificial intelligence commission	7,974	Feb 2009
<b>Stripe</b> ★ A technology company that builds ...	B2B fintech payments	machine learning artificial intelligence commission saas	4,966	2010
<b>Adyen</b> ★ Leading next generation global pa...	B2B fintech payments	machine learning artificial intelligence commission saas	2,294	2006
<b>Workday</b> ★ Enterprise solutions for Finance a...	B2B fintech enterprise software financial management solutions	machine learning artificial intelligence big data subscription saas	15k	Mar 2005
<b>Coinbase</b> ★ Bitcoin wallet and platform where ...	B2C fintech crypto and defi	blockchain deep tech commission marketplace & ecommerce	2,428	Jun 2012
<b>Eastmoney</b> China's biggest financial Web site	B2B, B2C fintech marfa	marketplace & ecommerce	-	2007

# Q3 2021 was a record quarter for fintech investment, with almost €31B raised globally.

## Global VC investment in fintech companies by quarter

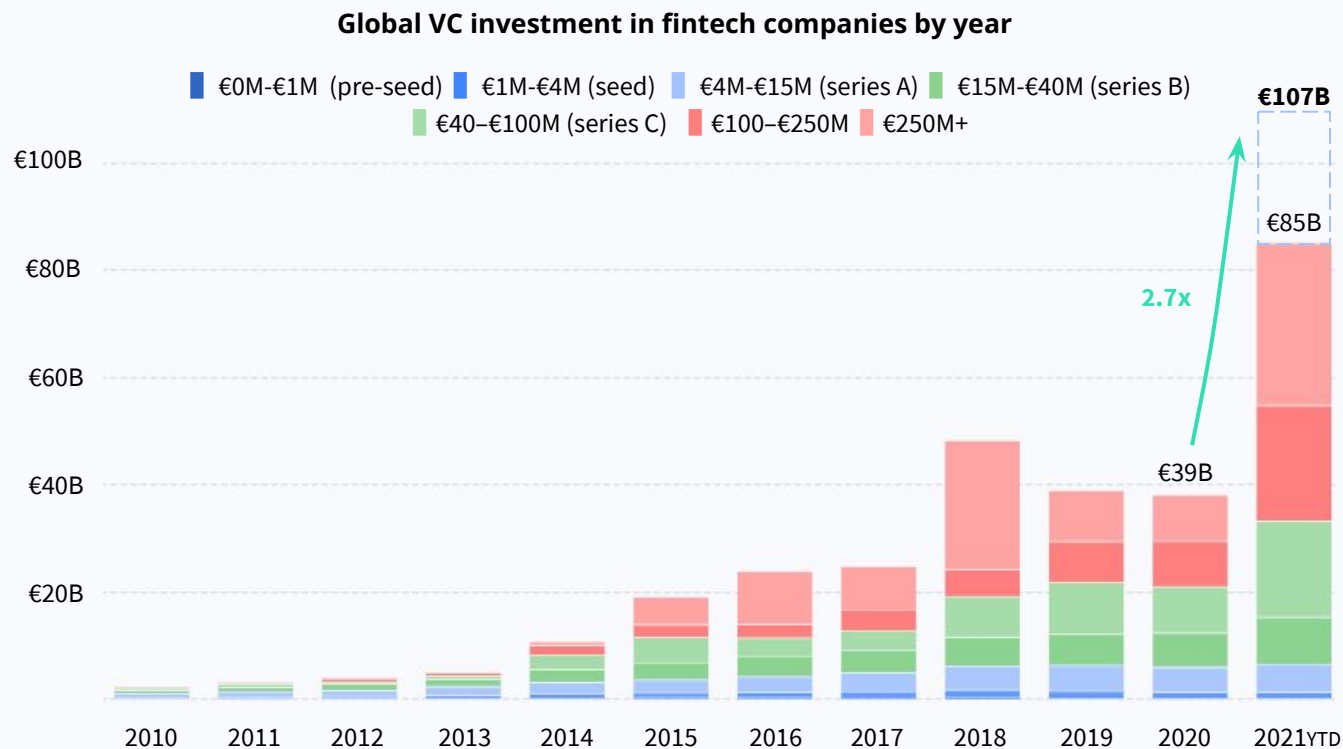
■ €0-1M (pre-seed) 
 ■ €1-4M (seed) 
 ■ €4-15M (series A) 
 ■ €15-40M (series B) 
 ■ €40-100M (series C) 
 ■ €100-250M 
 ■ €250M+



## Top rounds in Q3 2021: [» view online](#)

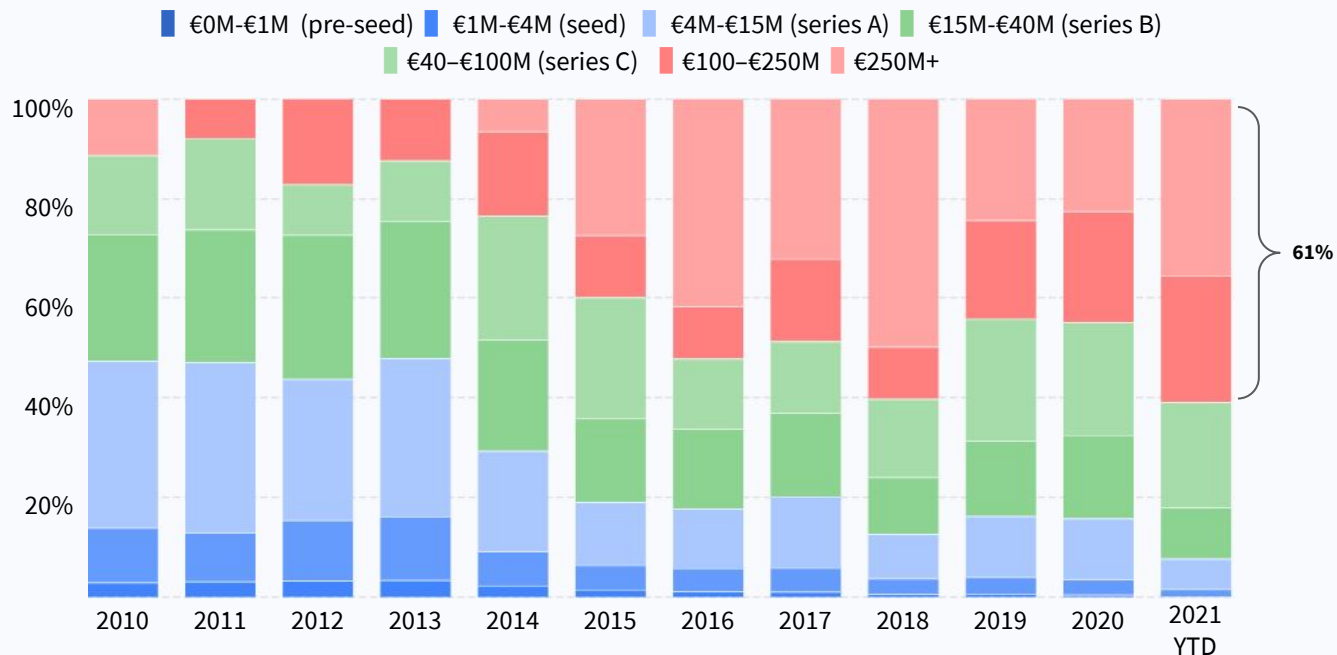
NAME	INVESTORS	MARKET	LOCATION	VALUATION
<b>Devoted Health</b> Healthcare company serving senior...	General Catalyst Partners Andreessen Horowitz NextView Ventures GIC Uprising Ventures	health fintech insurance health platform	Waltham, United States	€11.5B
<b>Insightsoftware</b> Software solution provider	Hg Capital TA Associates	fintech financial management solutions	Raleigh, United States	€3.6B
<b>FTX Exchange</b> FTX Exchange is a powerful crypto...	Lightspeed Venture Partners Sequoia Capital Circle Third Point Ventures Softbank Capital	fintech crypto and defi	Antigua and Barbuda	€16.4B
<b>Revolut</b> A world beyond banking - a secure...	Tiger Global Management Softbank Capital	fintech banking	London, United Kingdom	€30.0B
<b>Prodigy Finance</b> Crowdsourced funding for talente...	CPP Investments U.S. International Development Finance Corporation	fintech mortgages & lending	London, United Kingdom	€2.7-4.1B
<b>Chime</b> Building a new kind of online bank...	General Atlantic Tiger Global Management Sequoia Capital Dragonair Investment Group Softbank	fintech banking	San Francisco, United States	€22.7B
<b>Varo Money</b> Bringing financial inclusion and o...	Warburg Pincus HarbourVest Partners BlackRock Lone Fine Capital Berkshire Partners	fintech banking	San Francisco, United States	€2.3B
<b>Carta</b> Helps private and public compani...	Silver Lake Partners Digital Horizon	fintech wealth management	San Francisco, United States	€6.7B

# Fintech VC funding is on track to break €100B for the first time in 2021.



# Megarounds have accounted for 60% of all funding in 2021, an all-time high.

VC investment in fintech startups by round size [» view online](#)





**2**

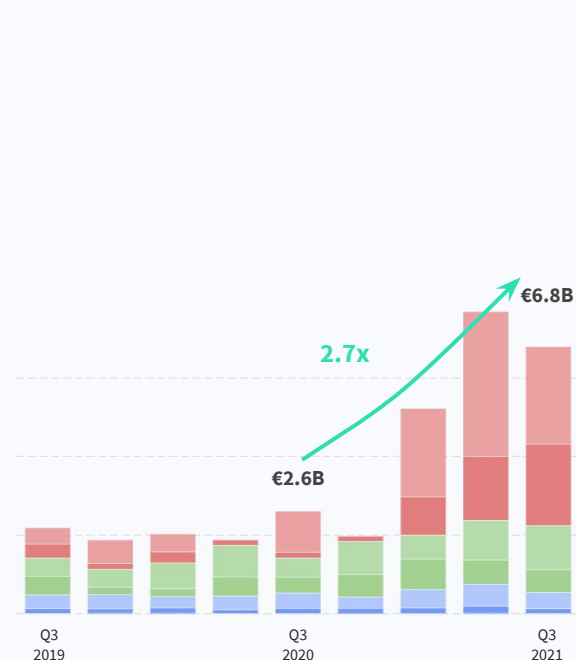
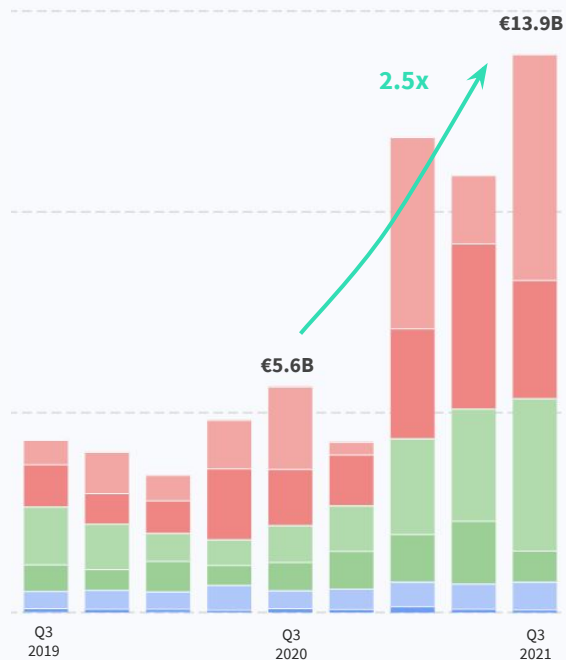
# **Regional analysis**

# European fintech continues to compete strongly internationally. European fintechs raised half of the US's total in Q3, compared to a third for overall VC.

## VC investment by startup HQ quarterly

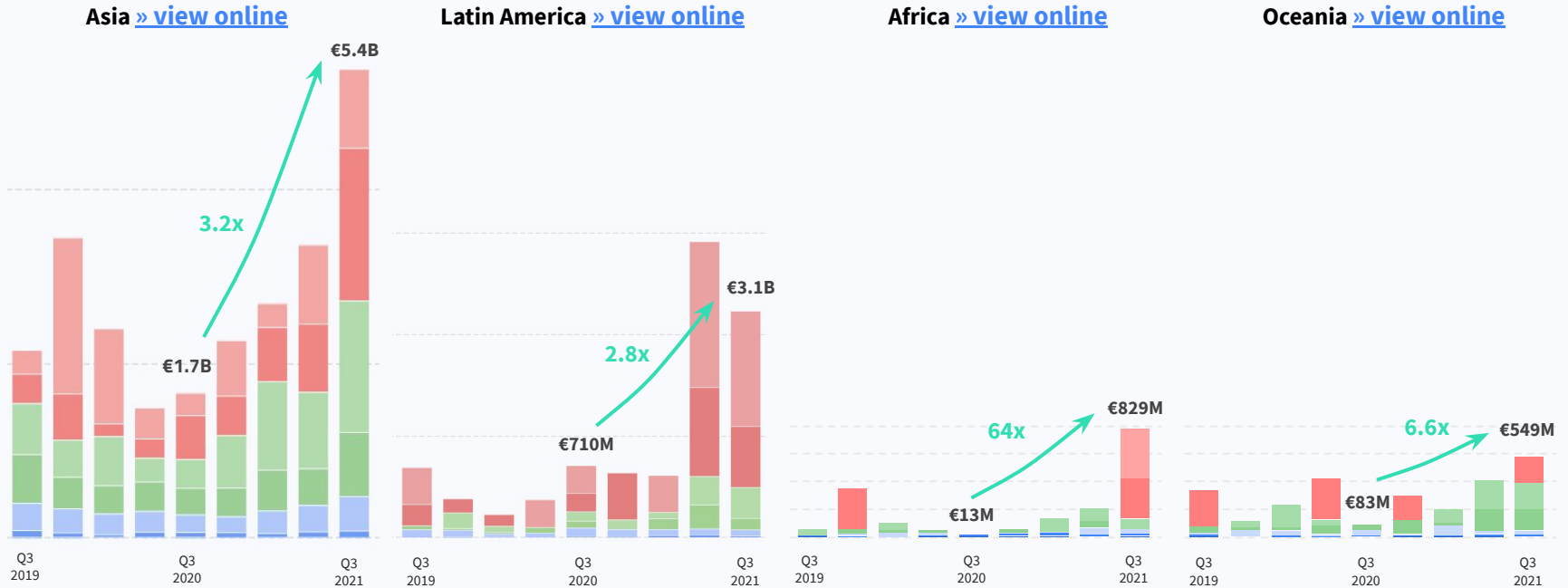
USA » [view online](#)

Europe » [view online](#)



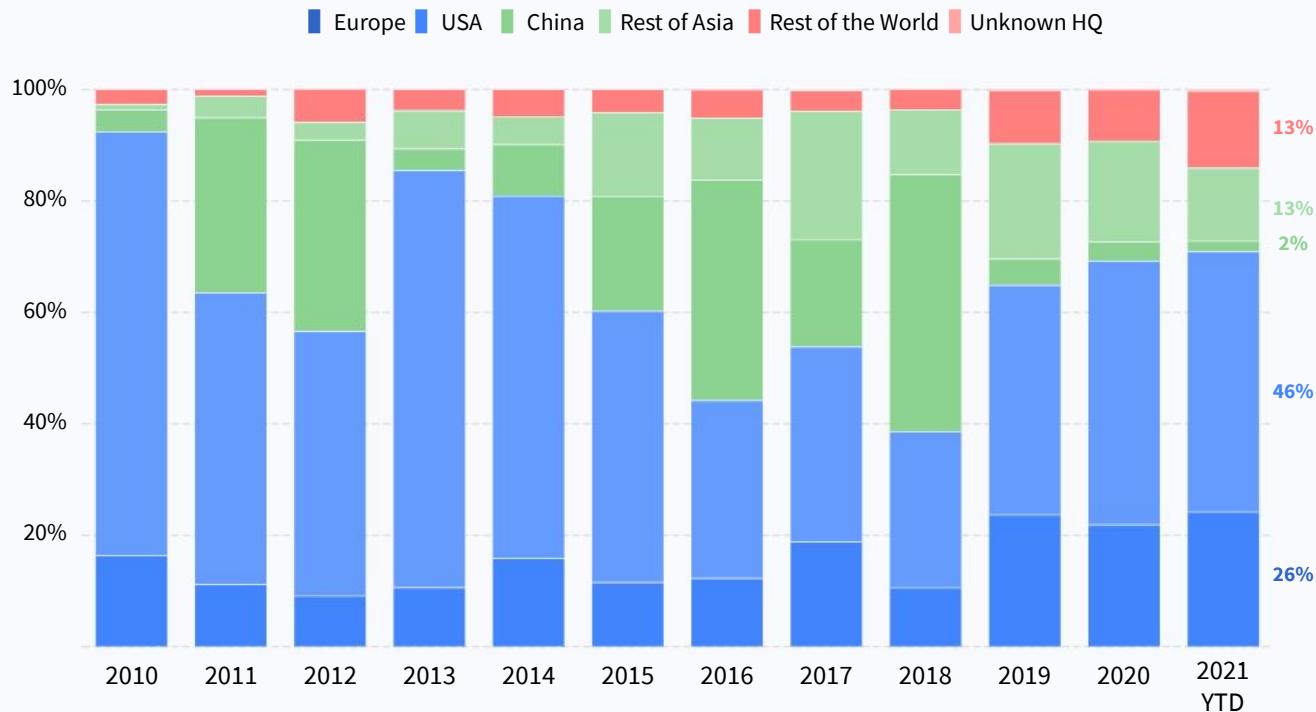
# Africa and Oceania are the fastest-growing markets for fintech investment, up 64x and 6.6x year on year respectively in Q3, with LatAm and Asia also ramping up.

VC investment by startup HQ quarterly



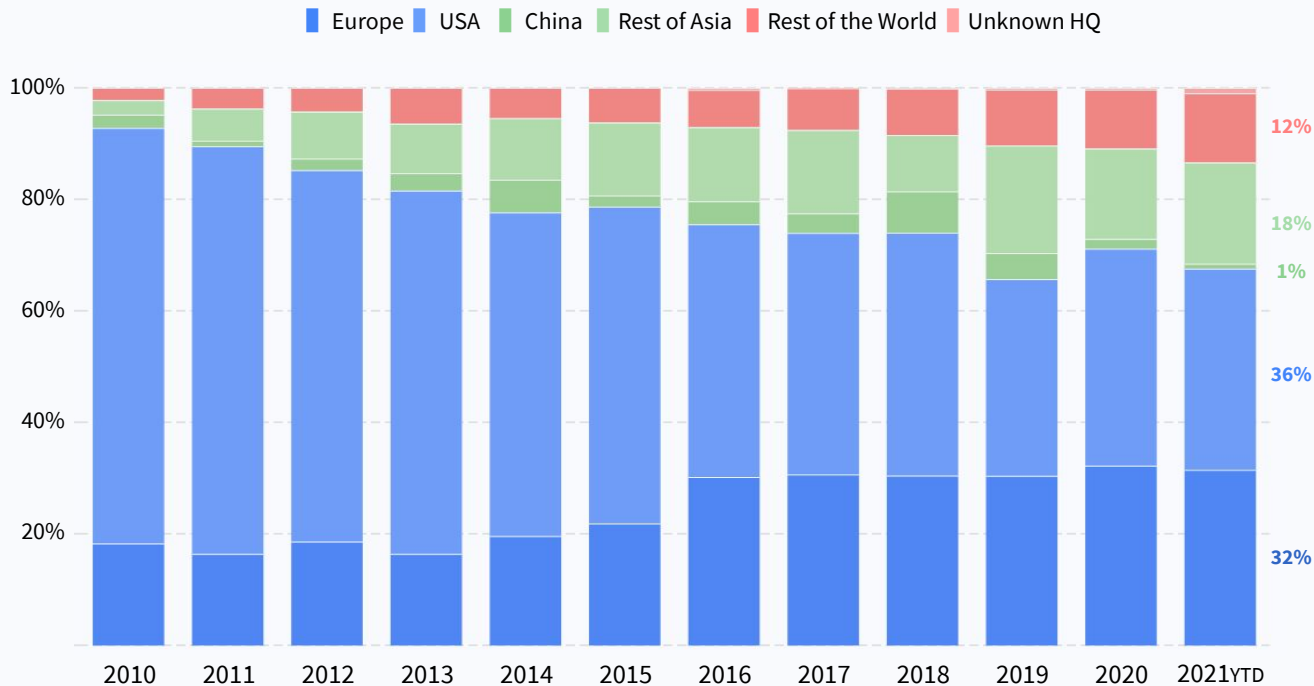
**US still accounts for 50% of global fintech funding, but while the US and Chinese share of funding is shrinking, the rest of the world is catching up, with Europe at an all time high.**

### VC investment by startup HQ



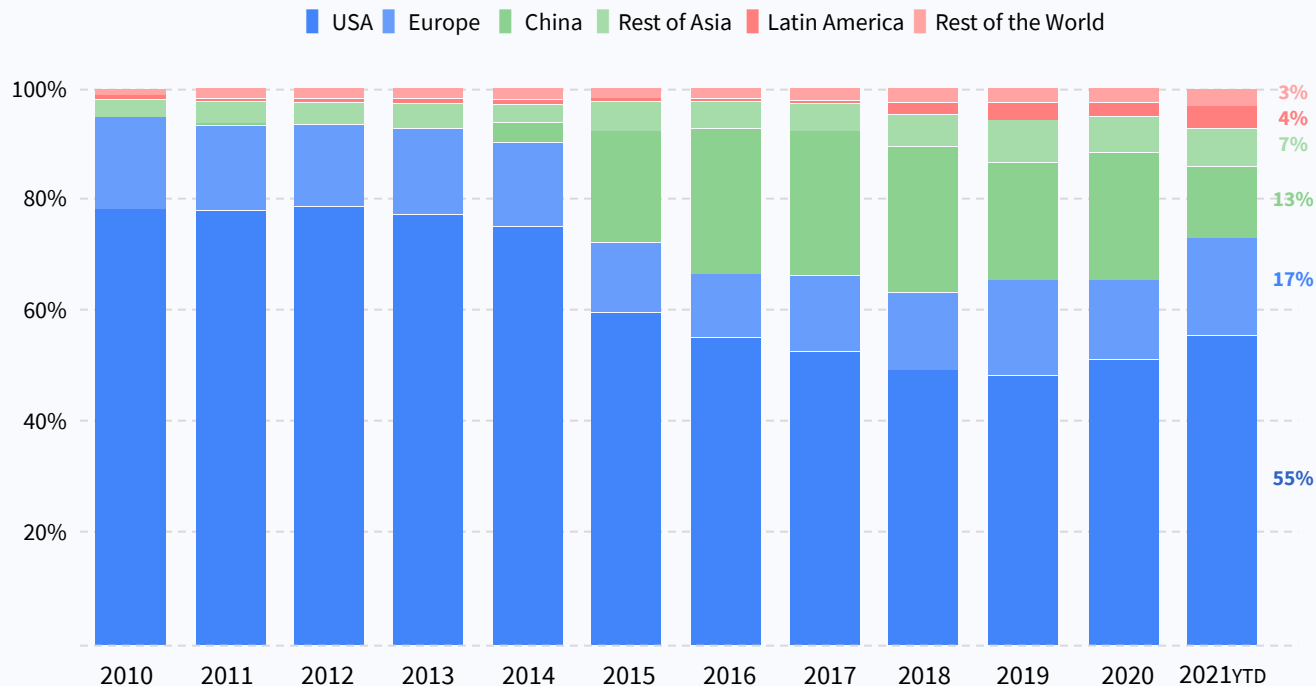
# Europe, Africa and Oceania are taking a greater share of early-stage fintech funding.

## VC investment by startup region, rounds up to €15M



# The US still leads with more than 50% of the global fintech enterprise value, Europe is regaining ground, Latin America is a rising star.

Combined enterprise value of fintech startups by region



# Explore fintech funding by regions, countries and cities.

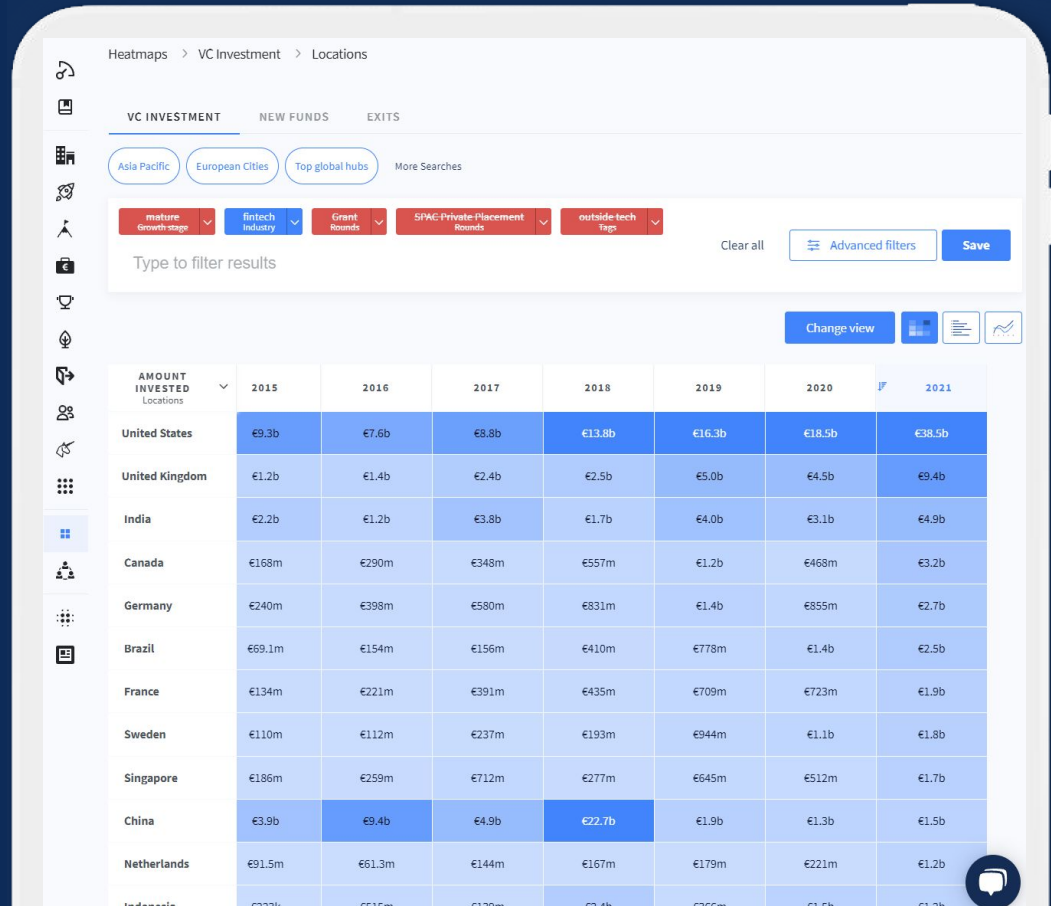
Fintech is the biggest sector for VC funding, attracting 20% of all the investments. Regions such as US, Europe and China have already seen global leaders emerge in the field and now India, South East Asia, Latin America and Africa are coming to the scene. Competition among countries and cities to attract fintech talent and business is increasing.

» Investment by regions

» Investment by countries

» Investment by cities

» More ...



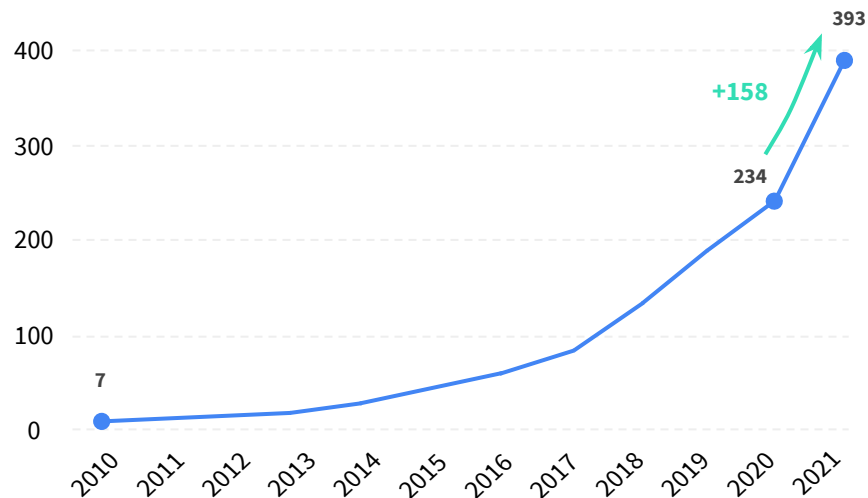
# 3

## Unicorns and exits



# There are now 393 fintech unicorns globally. 158 of these were created in 2021.

## Cumulative number of Fintech Unicorns



New fintech unicorns in 2021: [» view online](#)

NAME	MARKET	TYPE	GROWTH SIGNAL <small>12 months growth</small>	LAUNCH DATE
<b>Ajaib</b> ★ An online brokerage that allows pe...	B2B, B2C fintech wealth management	commission marketplace & ecommerce	240	2018
<b>Deel</b> ★ Payroll platform for remote teams ...	B2B fintech jobs recruitment payments	subscription saas	316	Aug 2018
<b>OfBusiness</b> ★ Provides smart procurement and s...	B2B fintech mortgages & lending	commission marketplace & ecommerce	506	2015
<b>Alloy Online</b> ★ Makes easy for financial services c...	B2B fintech regtech	commission saas	128	2015
<b>Built</b> ★ Empowering the entire constructi...	B2B fintech real estate mortgages & lending mortgages & lending construction	commission saas	241	2014
<b>Konfio</b> ★ ✎ The platform for financial and ma...	B2B fintech enterprise software mortgages & lending	commission saas	661	Apr 2013
<b>Betterment</b> ★ Investing Made Better	B2C fintech wealth management	commission subscription	393	Aug 2008
<b>Coalition</b> ★ Provider of cyber insurance and se...	B2B security fintech	subscription saas	225	2017

# Explore over 393 fintech unicorns online.

Fintech unicorns are being created faster than ever before. Almost 2 unicorns every 3 days have been created in fintech in 2021. 158 unicorns have been created in 2021, compared to “just” 50 in 2020. 40% of all fintech unicorns have been created in 2021 already.

» New unicorns in 2021

» Private unicorns

» Rumoured unicorns

» More ...

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## The Unicorn Club

A unicorn is a tech company valued at over \$1B. The Unicorn Club includes companies currently valued at over \$1B, and those that have successfully completed a \$1B+ exit. To learn more about the different types of unicorns, check out ["What is a unicorn?"](#)

If you want to be ahead of the unicorn curve, check out this query of [potential future unicorns](#).

New unicorns in 2021 | Verified unicorns & \$1B exits | Private unicorns | Unicorn finder | Still VC backed | Post private equity \$1B | Phoenix: unicorn comeback | Bootstrapped to \$1B | Post IPO

fintech industry | verified unicorns and \$1b exits tags | Type to filter results | Clear all | Advanced filters | Save & export

Sub-Industry | financial management solutions | wealth management | payments | insurance | mortgages & lending | banking | crypto and defi | regtech

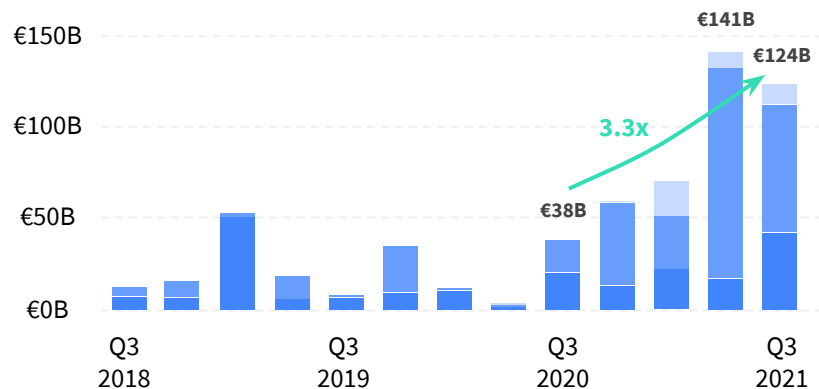
Showing 393 unicorns | Table | Cards | Landscape | Show stats

NAME	MARKET	TYPE	GROWTH SIGNAL	LAUNCH DATE	VALUATION
<b>TradingView</b> ★ TradingView is one of the largest a...	B2B, B2C fintech media wealth management publishing	commission subscription	493	Sep 2011	€2.7b
<b>AvidXchange</b> ★ Automating invoice and payment ...	B2B fintech enterprise software payments	subscription saas	1,272	Apr 2000	€4.5b
<b>At-Bay</b> ★ Cybersecurity insurance company ...	B2B security fintech insurance cloud & infrastructure	commission saas	148	Sep 2016	€1m
<b>Bolt</b> ★ An End-to-End Checkout, Payment...	B2B security fintech payments regtech device security & antivirus	subscription marketplace & ecommerce saas	387	Feb 2014	€3.6b
<b>TruMid</b> ★ Bringing efficiency to credit tradin...	B2B fintech wealth management mortgages & lending	marketplace & ecommerce	113	Jun 2014	€182–273m
<b>Celsius Network</b> ★ Blockchain-based lending platfor...	B2C fintech crypto and defi mortgages & lending	mobile app blockchain deep tech commission	224	Jun 2017	€2.7b

# €124B of fintech exit value in Q3 2021, up 3.3x from Q3 2020 and mainly driven by IPOs.

## Combined valuation of fintech exits

■ Acquisition ■ IPO ■ SPAC



## Biggest fintech exits in Q3 2021: » [view online](#)

NAME	BACKERS	ACQUIRORS	MARKET	JP	ENTERPRISE VALUE	TRA
<b>Robinhood</b> Commission-free trading in one, u...	Index Ventures Andreessen Horowitz GV Rothenberg Ventures Susa Ventures	-	fintech wealth management		\$32.0b	\$
<b>Afterpay</b> Buy now, pay later fintech based i...	Coatue Management Tencent Mitsubishi UFG Financial Group (MUFG)	Square	fintech payments		AUD39.0b	AUD39.0b
<b>Toast</b> An all-in-one restaurant managem...	Princeton Ventures Bessemer Venture Partners GV F-Prime Lead Edge Capital	-	fintech food payments in-store retail & restaura...		\$20.0b	\$
<b>Wise</b> Money transfer platform	Seedcamp Index Ventures Kima Ventures JA Ventures The Accelerator Group	-	fintech payments		€8.0b	
<b>Remitty</b> Payments company that leverages...	Founders Co-Op TomorrowVentures Bezos Expeditions Chase Franklin Sujal Patel	-	fintech payments		\$7.0b	\$
<b>Hippo Insurance</b> Offering modernized coverage for ...	Horizons Ventures GGV Capital Propel Venture Partners RPM Ventures Abstract Ventures	Reinvent Technology Partners	fintech real estate real estate services insurance		\$5.0b	\$230.0b
<b>Billdesk</b> Electronic payments processing s...	Clearstone Venture Partners TA Associates General Atlantic Temasek March Capital Partners	Prosus	fintech payments		\$4.7b	\$4.7b
<b>Blend</b> Empowering top mortgage lender...	Andreessen Horowitz SV Angel Thrive Capital Formation 8 Peter Thiel	-	fintech mortgages & lending		\$4.0b	\$

# Explore the key themes driving Fintech and Crypto.

» **BNPL**

» **Open banking**

» **NFTs**

» **Stock trading platforms**

» **Global challenger banks**

» **More ...**

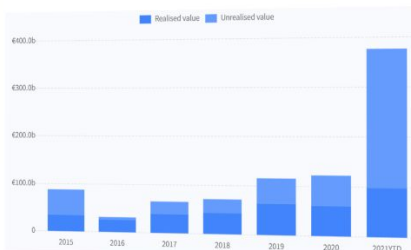
The screenshot shows the DealRoom.co website interface. At the top, there is a navigation bar with a hamburger menu, the DealRoom.co logo, a search bar with the placeholder text "Search for companies, investors, p...", and "Sign up" and "Login" buttons. The main content area is divided into several sections:

- Consumer facing BNPL providers (Direct merchant suppliers)**: Combined funding € 6.9B. This section features a grid of logos for Klarna, Afterpay, Affirm, Zip, Sezzle, and QuadPay in the first row; Splitit, Laybuy, Scalapay, Addi, Paidy, and Tamara in the second row; Pace now, ViaBill, Capital Float, and Sunbit in the third row; MNT-Halan, KueskiPay, Payflex, and Pagaris in the fourth row; Homecredit, Partial, Parcela Ja, and Splintr in the fifth row; WowMelo, Jungle, LipaLater, Beez, and Fundiin in the sixth row; Dali Dali, Mokka, Aspira, and Billease in the seventh row; and Easypay Finance, Reepay, Wipei, and Mobikwik in the eighth row.
- Challenger banks offering BNPL**: Combined funding € 3.3B. This section features logos for Monzo, Revolut, Lunar Way, Zopa, and MoneyLion in the first row, and Dough in the second row.
- White label BNPL providers and tech providers**: Combined funding € 2.1B. This section features logos for GreenSky, Bread, Amount.com, Limepay, and Jififi in the first row; Pledg, Divido, Pine Labs, Certegy, and RatePay in the second row; QuickFee, SynapseFI, Cresh, Neopag, and Cashew in the third row; and Skeps, BNPL Pay, Soisy, and Provenir Inc in the fourth row.



## The flurry of fintech exits is just getting started

The Fintech IPO market is booming. 2021 has seen a flush of exits totalling €338B in value (including IPO, SPACs and acquisitions), already 3x vs. last year, or 2.6x the market cap of Goldman Sachs to put that into perspective.



[Check out 2021 fintech exits globally.](#)

Breakdown by public debuts type:

- The major exit route for fintech companies in 2021 has been [IPOs and direct listings](#), at a combined value of [€217B](#), a more than 3x increase from 2020, led by the mega debuts of Coinbase and Robinhood, followed by Toast, Marqeta, Affirm, BrightHealth, Wise and other 27 companies.
- Fintech SPACs...

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