Fintech Q1 2022 Report

April 2022
Leading fintech corporate venture fund.

ABN AMRO Ventures is the corporate venture fund of ABN AMRO Bank, a leading bank in the Netherlands.

The €150m balance sheet fund invests in the most relevant up-and-coming technology companies to boost and accelerate innovation for the bank and its clients.

The collaboration between the fund and the portfolio companies goes far beyond capital: ABN AMRO Ventures actively provides knowledge and expertise, access to the bank and its systems, support from relevant specialists inside and outside ABN AMRO, as well as an extensive external network.

**Examples of portfolio companies**

- tink
- Solarisbank
- fenergo
- quantexa
- Penta
- PrimaryBid
- upvest
- BUX
- Tealium

Global startup & venture capital intelligence platform.

Dealroom.co is the foremost data provider on startup, early-stage and growth company ecosystems in Europe and around the globe.

Founded in Amsterdam in 2013, we now work with many of the world’s most prominent investors, entrepreneurs and government organizations to provide transparency, analysis and insights on venture capital activity.
Check out our previous reports.

- The rise of Embedded Finance
- Fintech 2021 report
- Fintech-enabled marketplaces 2021
- The State of European Insurtech 2021
In October 2015, the corporate venture fund was launched under the name ABN AMRO Digital Impact Fund with an initial size of €10 million.

Fintech funding has slightly slowed but it’s still going strong.

Fintech startups raised $32.4B globally in Q1 2022, down 10% from all-time high in Q3 last year, but still up 27% year on year.

Fintech funding is holding on better than the broader venture capital ecosystem, especially compared to last year's levels. Fintech funding is up 27% year-on-year, compared to just 4% for overall VC funding.

Cryptocurrency is now the most invested sector in fintech.

Crypto startups have raised $7.0B in Q1 2022, more than any other fintech segment. Crypto and DeFi funding is also growing faster than any other segment, increasing 2.4x compared to Q1 2021.

Fintech valuations, excluding crypto, have instead slightly pulled back in late stage, while at early stage they keep going up.

Unicorns are holding on. Exits value has fallen, but the count is higher than ever.

There are now 473 fintech unicorns globally. 40 were added in Q1 2022, 8 less than the quarterly average last year, but still a very high pace.

Exits value has fallen from last year, from more than $100B by quarter to $27B, especially due to public listings. But smaller M&A is at an all-time high.

What happened in fintech in Q1 2022.

Exits value by quarter

Fintech funding by sector Q1 2022

Global VC investment growth year-on-year
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Fintech VC funding in 2022
Fintech startups raised $32.4B globally in Q1 2022, down 10% from all-time last quarter, but still up 27% year on year.

Source: Dealroom.co
Fintech funding is holding on better than the broader venture capital ecosystem. Especially compared to last year's levels.

% growth quarter-to-quarter (Q1 2022 vs Q4 2021)

- Fintech: -9.4%
- Healthcare: 13.9%
- Transportation: -31.0%
- Foodtech: 6.3%

% growth year-on-year (Q1 2022 vs Q1 2021)

- Fintech: 27.0%
- Healthcare: -19.8%
- Transportation: -29.4%
- Foodtech: -13.3%

-18.0% Total VC funding

Source: Dealroom.co
Early stage funding is even stronger, reaching an all-time-high $6.1B in Q1, with the biggest rounds mostly coming from crypto.

Global early stage funding* in fintech startups » view online

![Bar chart showing early stage funding across different categories]

The biggest early stage* rounds of Q1 2022 » view online

- **$6.1B**
  - FTX US: Crypto Exchange
  - Oxyzo: Tech-enabled B2B financing
  - APTOS: Blockchain Layer1
  - **$400M Series A**
  - **$200M Series A**
  - **$200M Early VC**

- **$5.8B**
  - Trust Machines: Bitcoin DeFi Applications
  - NEAR Protocol: Blockchain Layer1
  - LayerZero: Blockchain Interoperability
  - **$150M Early VC**

- **$4.5B**
  - iTrustCapital: Retirement saving Platform
  - PalmerPay: Next generation mobile wallet
  - CoinTracker: Crypto tax reporting platform
  - **$125M Series A**
  - **$100M Series A**
  - **$100M Series A**

Source: Dealroom.co *based on self-reported round labels of angel, seed, Series A and Early VC rounds. Dealroom round standardization methodology has not been applied.
Crypto is now the most invested sector in fintech and is also the fastest growing.

<table>
<thead>
<tr>
<th>VC funding growth by fintech sector (Q1 2022 vs Q1 2021)</th>
<th>The biggest fintech crypto rounds of Q1 2022</th>
<th>view online</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Crypto and DeFi</strong></td>
<td>Fireblocks</td>
<td>Institutional crypto platform</td>
</tr>
<tr>
<td>$7.0B</td>
<td>$550M</td>
<td>$550M</td>
</tr>
<tr>
<td>Payments</td>
<td>Consensys</td>
<td>Ethereum app and infrastructure builder</td>
</tr>
<tr>
<td>1.0x</td>
<td>$450M</td>
<td>$450M</td>
</tr>
<tr>
<td>Wealth management</td>
<td>Polygon</td>
<td>Ethereum scaling and infrastructure</td>
</tr>
<tr>
<td>0.8x</td>
<td>$450M</td>
<td>$450M</td>
</tr>
<tr>
<td>Mortgages &amp; lending</td>
<td>FTX-US</td>
<td>Crypto exchange</td>
</tr>
<tr>
<td>2.1x</td>
<td>$400M</td>
<td>$400M</td>
</tr>
<tr>
<td>Banking</td>
<td>FTX</td>
<td>Crypto exchange</td>
</tr>
<tr>
<td>1.1x</td>
<td>$400M</td>
<td>$400M</td>
</tr>
<tr>
<td>Financial management solutions</td>
<td>OpenSea</td>
<td>NFT marketplace</td>
</tr>
<tr>
<td>1.4x</td>
<td>$400M</td>
<td>$300M</td>
</tr>
<tr>
<td>Insurance</td>
<td>Blockdaemon</td>
<td>Ethereum app and infrastructure builder</td>
</tr>
<tr>
<td>0.8x</td>
<td>$200M</td>
<td>$450M</td>
</tr>
<tr>
<td>Regtech</td>
<td>Amber</td>
<td>One stop crypto finance provider</td>
</tr>
<tr>
<td>0.3x</td>
<td>$200M</td>
<td>$200M</td>
</tr>
</tbody>
</table>

Source: Dealroom.co  *Crypto and DeFi only refers to crypto companies impacting the financial services space.*
Fintech valuations have slightly pulled back in late stage, while early stage keeps going up. Crypto valuation are soaring at all stages.

Source: Dealroom.co  *based on self-reported round labels. Dealroom round standardization methodology has not been applied.
Early stage considered as Angel, Seed, Series A and Early VC. Late stage considered from Series B onwards.
There are now 473 fintech unicorns globally. 40 were added in Q1 2022, 8 less than the quarterly average last year.

Cumulative number of Fintech Unicorns

New fintech unicorns in Q1 2022:

Source: Dealroom.co  A unicorn is defined as a rapidly scaling company (and tech-enabled) that has reached a $1 billion valuation, on the basis of a funding round (unrealised), acquisition or IPO (realised). More details here.
Exits value has fallen from last year from more than $100B by quarter to $27B (especially due to public listings) but smaller M&A is at all-time high.

Combined valuation of fintech exits

Number of fintech exits
Top fintech trends in 2022
Challenger banks still attracted the most funding across fintech in Q1, followed by crypto exchanges, DeFi, BaaS & embedded finance.

**VC investment Q1 2022 (% growth from 2021 average)**

<table>
<thead>
<tr>
<th>Category</th>
<th>Growth</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Challenger bank</td>
<td>-15%</td>
<td>$2.2B</td>
</tr>
<tr>
<td>Crypto exchange</td>
<td>-17%</td>
<td>$1.3B</td>
</tr>
<tr>
<td>DeFi</td>
<td>+260%</td>
<td>$1.2B</td>
</tr>
<tr>
<td>BaaS</td>
<td>+148%</td>
<td>$1.1B</td>
</tr>
<tr>
<td>Embedded finance</td>
<td>+146%</td>
<td>$1.1B</td>
</tr>
<tr>
<td>Crypto custodian</td>
<td>+1%</td>
<td>$1.0B</td>
</tr>
<tr>
<td>BNPL</td>
<td>-31%</td>
<td>$0.9B</td>
</tr>
<tr>
<td>Insurtech distribution &amp; brokerage</td>
<td>-53%</td>
<td>$0.7B</td>
</tr>
</tbody>
</table>

**Top 3 most funded startups in Q1**

- Qonto
- Neon
- Tonik

- FTX
- FTX US
- Amber

- Consensys
- Immutable
- TrustMachines

- Cross River
- ClearBank
- Jeeves

- Fireblocks
- Phantom
- Zero

- Scalapay
- Pine Labs
- Alma

Source: Dealroom.co
Parametric insurance, green finance, on demand pay, DeFi and BaaS & embedded finance grew the most in Q1 2022.

<table>
<thead>
<tr>
<th>VC investment Q1 2022 vs. 2021 average</th>
<th>Top 3 most funded startups in Q1</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Parametric insurance</strong></td>
<td><strong>DESCARTES</strong></td>
</tr>
<tr>
<td>$0.2B</td>
<td><strong>Parsy</strong></td>
</tr>
<tr>
<td>4.1x</td>
<td><strong>FloodFlash</strong></td>
</tr>
<tr>
<td><strong>Green finance</strong></td>
<td><strong>DES CARTES</strong></td>
</tr>
<tr>
<td>$0.2B</td>
<td><strong>cushion</strong></td>
</tr>
<tr>
<td>2.8x</td>
<td><strong>APOLLO AGRICULTURE</strong></td>
</tr>
<tr>
<td><strong>On demand pay</strong></td>
<td><strong>Dave</strong></td>
</tr>
<tr>
<td>$0.3B</td>
<td><strong>Refyne</strong></td>
</tr>
<tr>
<td>2.7x</td>
<td><strong>branch</strong></td>
</tr>
<tr>
<td><strong>DeFi</strong></td>
<td><strong>CONSENSYS</strong></td>
</tr>
<tr>
<td>$1.2B</td>
<td><strong>IMMUTABLE</strong></td>
</tr>
<tr>
<td>2.2x</td>
<td><strong>TRUSTMACHINES</strong></td>
</tr>
<tr>
<td><strong>NFT</strong></td>
<td><strong>OpenSea</strong></td>
</tr>
<tr>
<td>$0.8B</td>
<td><strong>IMMUTABLE</strong></td>
</tr>
<tr>
<td>1.8x</td>
<td><strong>NEAR</strong></td>
</tr>
<tr>
<td><strong>BaaS</strong></td>
<td><strong>cross river</strong></td>
</tr>
<tr>
<td>$1.1B</td>
<td><strong>ClearBank</strong></td>
</tr>
<tr>
<td>1.5x</td>
<td><strong>JEVES</strong></td>
</tr>
<tr>
<td><strong>Embedded finance</strong></td>
<td><strong>cross river</strong></td>
</tr>
<tr>
<td>$1.1B</td>
<td><strong>GPS</strong></td>
</tr>
<tr>
<td>1.3x</td>
<td><strong>check</strong></td>
</tr>
<tr>
<td><strong>Alternative investments</strong></td>
<td><strong>CAIS</strong></td>
</tr>
<tr>
<td>$0.7B</td>
<td><strong>PrimaryBid</strong></td>
</tr>
<tr>
<td>1.2x</td>
<td><strong>AngelList Talent</strong></td>
</tr>
</tbody>
</table>
Embedded finance and BaaS have also attracted billions of dollars in funding and grew 3x last year.

VC funding growth by embedded finance trends (2021 vs 2020)

<table>
<thead>
<tr>
<th>Category</th>
<th>2020 Funding</th>
<th>2021 Growth</th>
<th>2021 Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Embedded finance</td>
<td></td>
<td>3.1x</td>
<td>$3.1B</td>
</tr>
<tr>
<td>BaaS</td>
<td></td>
<td>3.8x</td>
<td>$3.0B</td>
</tr>
<tr>
<td>Open banking</td>
<td>$1.5B</td>
<td>4.6x</td>
<td>$1.5B</td>
</tr>
<tr>
<td>Embedded payments*</td>
<td>$1.5B</td>
<td>5.0x</td>
<td>$1.5B</td>
</tr>
<tr>
<td>Core banking</td>
<td>$1.2B</td>
<td>8.9x</td>
<td>$1.5B</td>
</tr>
<tr>
<td>Embedded insurance</td>
<td>$0.8B</td>
<td>2.5x</td>
<td>$1.2B</td>
</tr>
<tr>
<td>Embedded lending*</td>
<td>$0.3B</td>
<td>2.1x</td>
<td>$0.8B</td>
</tr>
</tbody>
</table>

Source: Dealroom.co. *Excluding not white-label BNPL providers such as Klarna.
ClimateTech software can provide significant value to the global ‘green’ transition of banks and fintechs.

» Read the full analysis
Explore the **key themes** in **Fintech** and **Crypto**.

» Alternative payments

» Fintech democratizing venture capital

» Embedded lending

» Payment orchestration

» ClimateTech software

» More ...

![dealroom.co](image_url)
Get the latest weekly insights, with the Fintech newsletter.

The rise of alternative payments

Cards have been the default payment method for a long time. This is not true anymore with the rise of Alternative Payments that are devouring market share from traditional card payment methods.

Alternative payments such as digital wallets, account-to-account (A2A) payments with open banking and BNPPL are becoming some of the preferred payment methods for consumers. Furthermore, crypto, stablecoins and CBDCs are coming to the game.

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Regional trends
Europe fintech funding is thriving, Q1 was the best quarter ever, up 9% from Q2 2021. While US funding slowed by 13% from its all-time-high.

VC investment in fintech startup by HQ

USA » view online

Europe » view online

<table>
<thead>
<tr>
<th></th>
<th>USA 2020</th>
<th>USA 2021</th>
<th>Europe 2020</th>
<th>Europe 2021</th>
<th>Europe 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>$5B</td>
<td>$1.2B</td>
<td>$1.8B</td>
<td>$0.5B</td>
<td>$0.6B</td>
<td>$0.7B</td>
</tr>
<tr>
<td>$10B</td>
<td>$4.8B</td>
<td>$5.4B</td>
<td>$3.0B</td>
<td>$3.1B</td>
<td>$3.2B</td>
</tr>
<tr>
<td>$15B</td>
<td>$6.8B</td>
<td>$7.4B</td>
<td>$4.6B</td>
<td>$4.7B</td>
<td>$4.8B</td>
</tr>
<tr>
<td>$20B</td>
<td>$7.2B</td>
<td>$7.8B</td>
<td>$5.4B</td>
<td>$5.5B</td>
<td>$5.6B</td>
</tr>
</tbody>
</table>

Source: Dealroom.co
All emerging hubs has seen strong funding in Q1. Africa and India had their 2nd best quarter ever and Latam has grown massively year-over-year.
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.
Explore the ecosystem fintech.dealroom.co

Access over 47,000 fintech startups, 40,000 funding rounds, and our latest insights on the world of fintech.

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dealroom.co
Venture capital methodology and definitions.

**Startups, scaleups, grownups and tech**
Companies designed to grow fast. Generally, such companies are VC-investable businesses. Sometimes they can become very big (e.g. $1B+ valuation).

When startups are successful, they develop into scaleups (>50 people), grownups (>500 people) and result in big companies, like Klarna or Coinbase.

Only companies founded since 1990 are included in this report.

**Venture capital investment**
Investment numbers refer to rounds such as Seed, Series A, B, C, …. late stage, and growth equity rounds.

Venture capital investment figures exclude debt or other non-equity funding, lending capital, grants and ICOs.

Buyouts, M&A, secondary rounds, and IPOs are treated as exits: excluded from funding data.

Investment rounds are sourced from public disclosures including press releases, news, filings and verified user-submitted information.

**Valuation**
The combined valuation of the tech ecosystem is based on their market cap or latest transaction value.

Transaction value is realized from exit or implied unrealised valuation from the latest VC round, which is either announced or estimated by Dealroom based on benchmarks.
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