



EMERGING TECH RESEARCH

Fintech Report

VC trends and emerging opportunities

Q1
2022

REPORT PREVIEW

The full report is available through the PitchBook Platform.





Contents

Vertical overview	3
Q1 2022 timeline	4
Fintech landscape	5
Fintech VC ecosystem market map	6
VC activity	8
Emerging opportunities	17
Corporate crypto finance	18
Carbon credit tokenization	20
Payfac enablement	22
Select company highlights	25
Bitwave	26
Celo	27
OpenNode	29

Institutional Research Group

Analysis



Robert Le Senior Analyst, Emerging Technology
robert.le@pitchbook.com
pbinstitutionalresearch@pitchbook.com

Data

TJ Mei Data Analyst

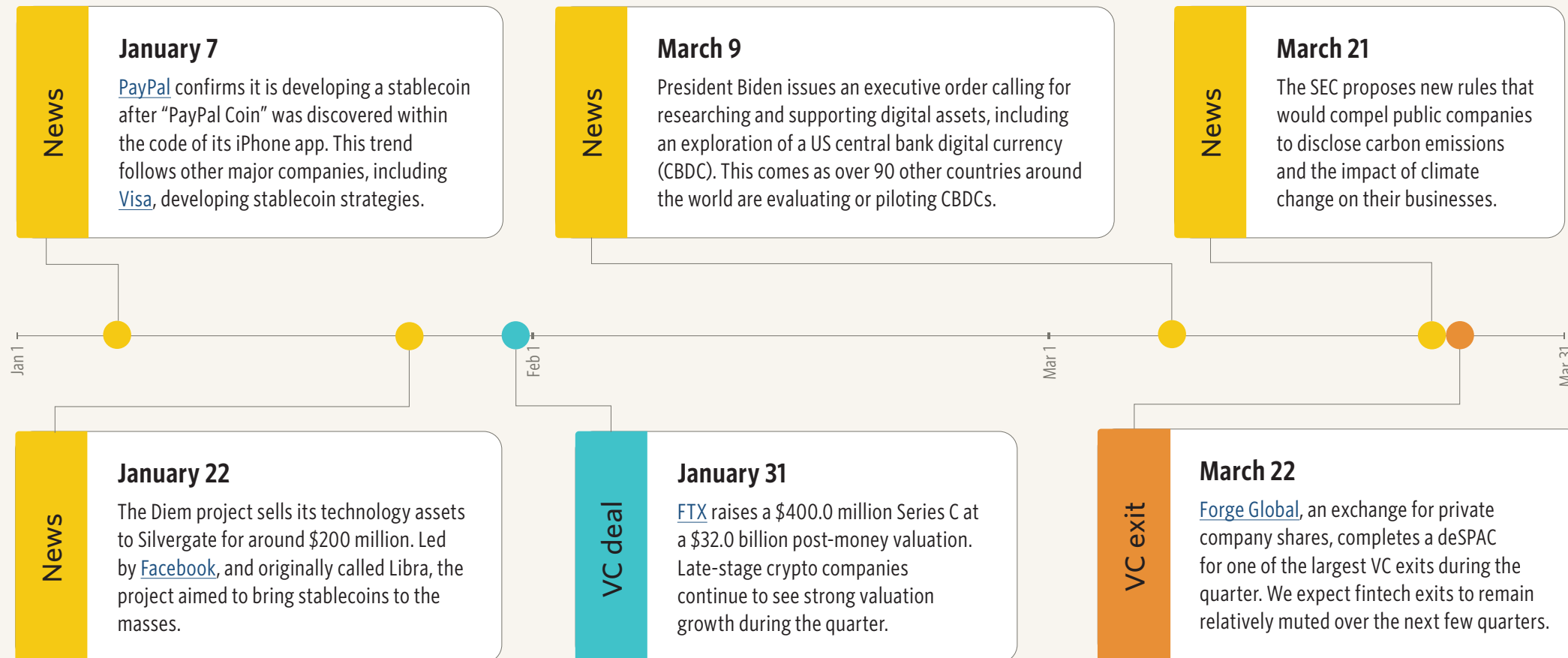
Publishing

Report designed by **Julia Midkiff**

Published on May 5, 2022



Q1 2022 timeline



Q1 VC deal count summary

1,233
total deals

-3.7%
QoQ growth

-6.5%
YoY growth

39.0%
YTD growth

Q1 VC deal value summary

\$29.3B
total deal value

-7.3%
QoQ growth

13.8%
YoY growth

113.0%
YTD growth



Fintech landscape

- 1 Alternative lending
- 2 Capital markets
- 3 Consumer finance
- 4 Digital assets
- 5 Financial services IT
- 6 Payments
- 7 Regtech
- 8 Wealthtech

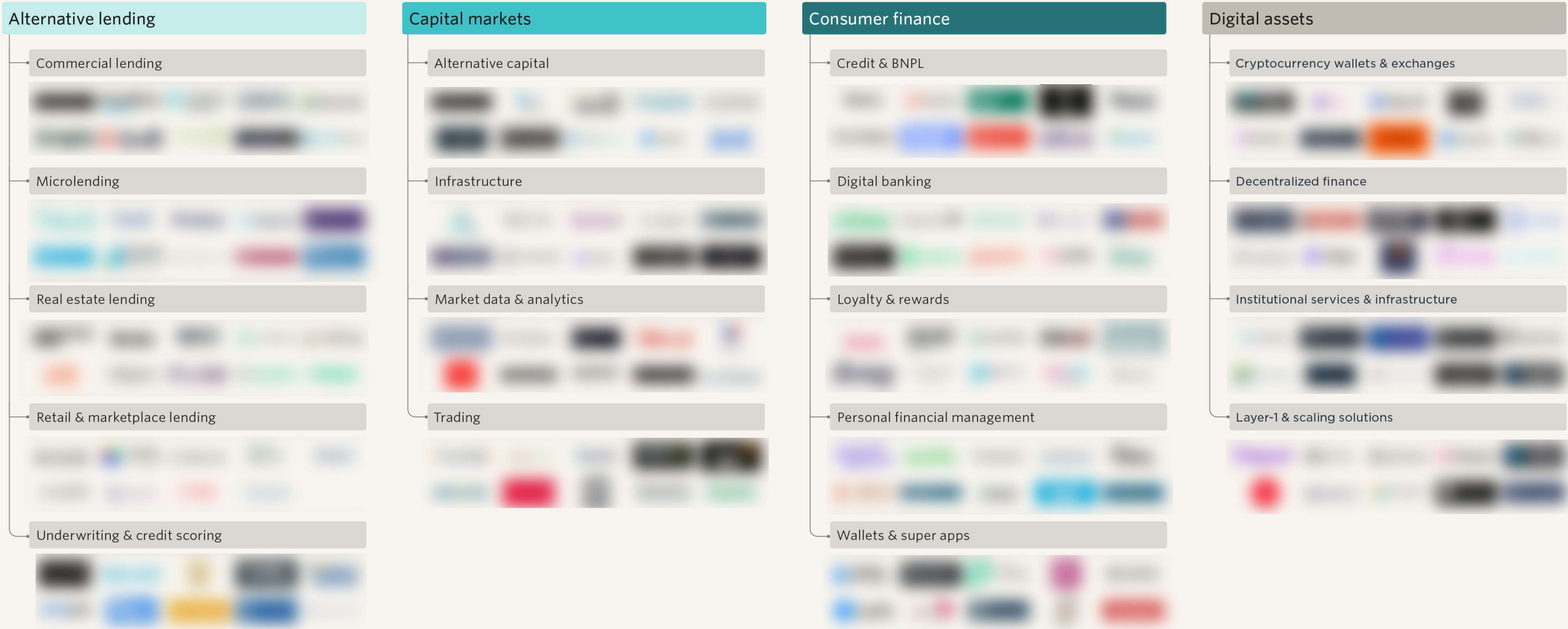




Fintech VC ecosystem market map

Click to view the interactive market map on the PitchBook Platform.

Market map is a representative overview of venture-backed or growth-stage providers in each segment. Companies listed have received venture capital or other notable private investments.

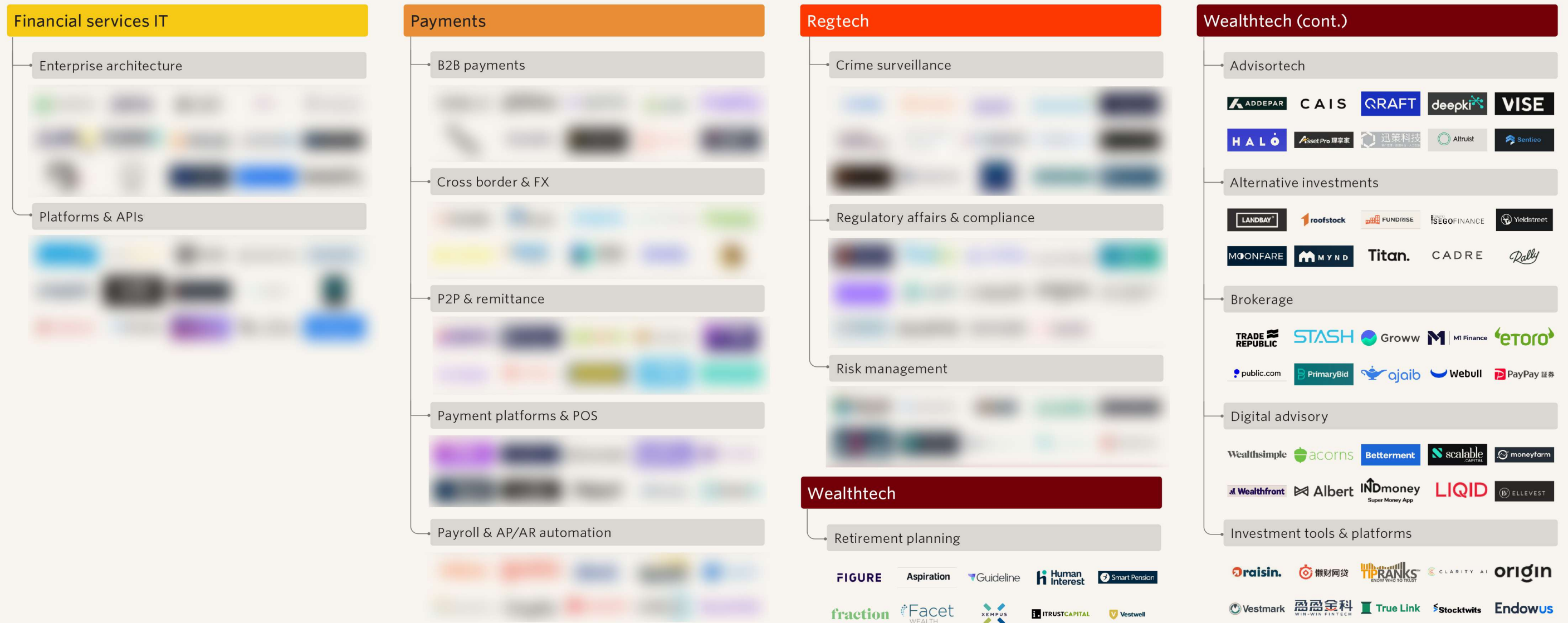




Fintech VC ecosystem market map

Click to view the interactive market map on the PitchBook Platform.

Market map is a representative overview of venture-backed or growth-stage providers in each segment. Companies listed have received venture capital or other notable private investments.



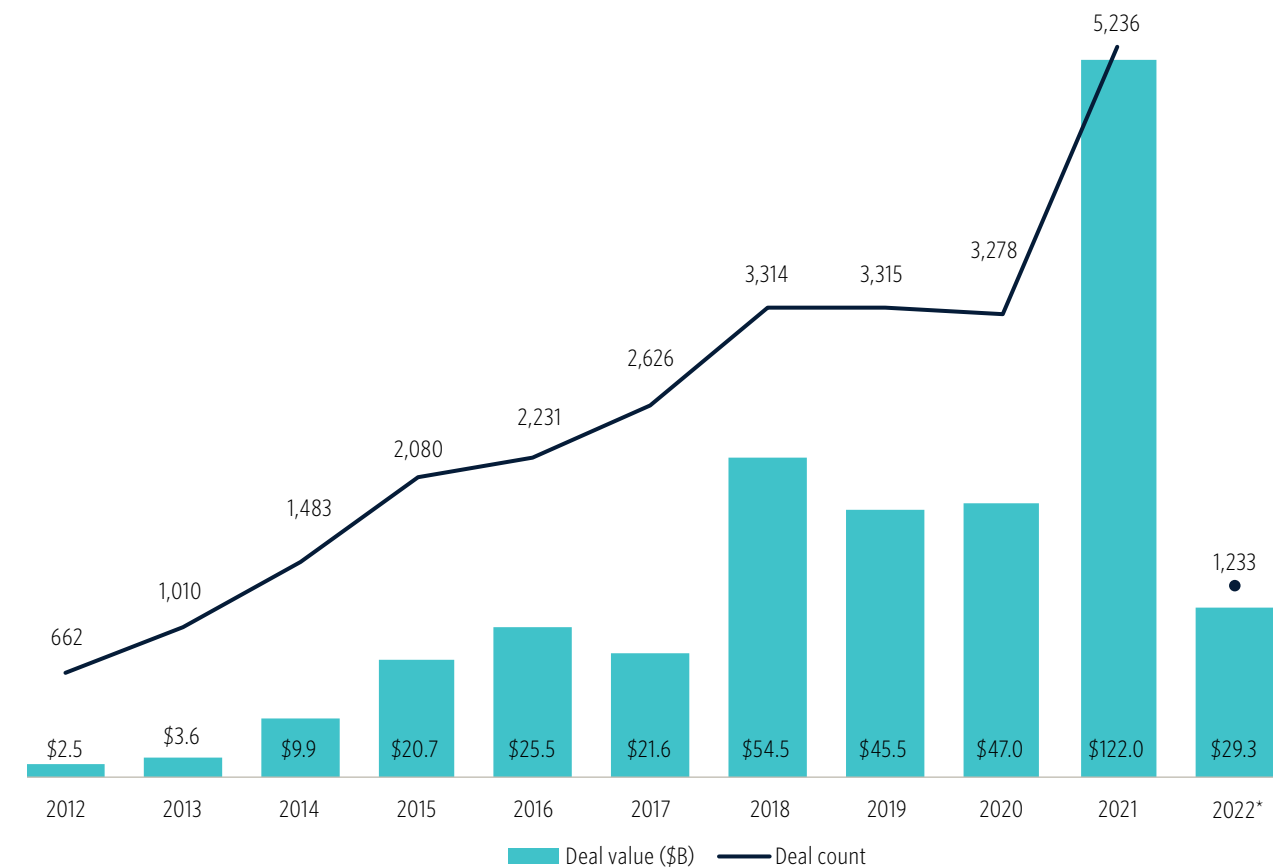


VC activity

In Q1 2022, fintech companies globally raised \$29.3 billion in VC across 1,233 deals, representing a 7.3% decrease in QoQ deal value. However, this still represents a 13.8% YoY increase. Payments companies continue to lead the largest portion of deal value, at \$9.1 billion, representing 12.4% QoQ growth. [Checkout.com](#), a [Stripe](#) direct competitor, raised the largest round of the quarter in the segment: a \$1.0 billion Series D at a \$40.0 billion post-money valuation. Other notable payment deals of the quarter include one-click checkout platform [Bolt](#) (\$355.0 million Series E at a \$11.0 billion valuation), two rounds from B2B payments and expense card management companies: [Qonto](#), which raised a \$549.8 million Series D at a \$5.0 billion post-money valuation, and [Brex](#), which raised a \$300.0 million Series D2 at a \$12.3 billion post-money valuation. Alternative lending also had a strong quarter, with some of the largest deals in the segment going to fintech companies outside of the US. These deals include a \$294.0 million Series C for Singapore-based small and medium-sized enterprise (SME) lending platform [Funding Societies](#), a \$260.0 million Series F for Brazil-based consumer lender [Creditas](#), and a \$189.2 million late-stage VC round for UK-based consumer loan origination and servicing platform [Oakbrook Finance](#). Consumer finance and financial services IT companies had the largest VC investment contractions during the quarter, declining 40.8% and 72.7% QoQ, respectively.

During the quarter, the median pre-money valuation for VC-backed, late-stage fintech companies increased 44.5% to \$257.5 million from 2021's full-year figure of \$178.3 million. Early-stage median pre-money valuations also continued to increase, reaching new highs at \$63.0 million—up 57.5% from 2021. This leads to the highest pre-money valuation step-ups, a measure to gauge valuation accretion between stages, for both early- and late-stage fintech companies, which reached 3.1x and 2.5x, respectively.

Figure 2. Fintech VC deal activity



Source: PitchBook | Geography: Global | *As of March 31, 2022



VC ACTIVITY

Figure 10. Key fintech late-stage VC deals

Company	Close date	Segment	Stage	Deal size (\$M)	Lead investor(s)	Valuation step-up*
Checkout.com	January 12, 2022	Payments	Series D	\$1,000.0	N/A	2.6x
Fireblocks	January 27, 2022	Digital assets	Series E	\$550.0	D1 Capital Partners, Spark Capital	0.4x
Qonto	January 10, 2022	Payments	Series D	\$549.8	TCV, Tiger Global Management	4.9x
ConsenSys	March 11, 2022	Digital assets	Series D	\$450.0	N/A	2.1x
FTX	January 31, 2022	Digital assets	Series C	\$400.0	N/A	1.26x
Market Financial Solutions	March 21, 2022	Alternative lending	Late-stage VC	\$398.0	N/A	N/A
Bolt Financial	February 9, 2022	Payments	Series E	\$355.0	BlackRock	1.8x
Lunar	March 10, 2022	Consumer finance	Series D	\$314.1	Heartland, IDC Ventures, Kinnevik, Tencent Holdings	N/A
GoCardless	February 8, 2022	Payments	Series G	\$312.0	Permira	6.9x
Brex	January 11, 2022	Payments	Series D2	\$300.0	Greenoaks Capital Partners, TCV	1.6x

Source: PitchBook | Geography: Global | *As of March 31, 2022



VC ACTIVITY

Figure 11. Key fintech VC exits

Company	Close date	Subsegment	Exit size (\$M)	Exit type	Acquirer(s)/index	Post-money valuation (\$M)*
Dave	January 4, 2022	Digital banking	\$3,536.0	Public listing	VPC Impact Acquisition Holdings III	\$4,000.0
Forge Global	March 22, 2022	Alternative capital	\$1,349.0	Public listing	Motive Capital	\$2,000.0
SimpleNexus	January 10, 2022	Platforms & APIs	\$1,200.0	Acquisition	nCino	\$1,200.0
Technisys	March 3, 2022	Enterprise architecture	\$1,100.0	Acquisition	SoFi	\$1,100.0
Fair	March 15, 2022	Retail & marketplace lending	N/A	Acquisition	Shift Technologies	N/A
Pollinate	February 4, 2022	Platforms & APIs	N/A	Acquisition	Canadian Imperial Bank of Commerce	N/A
Taulia	March 10, 2022	Commercial lending	N/A	Acquisition	SAP	N/A
Terraform Labs	March 9, 2022	Layer-1 and scaling solutions	N/A	Acquisition	BTCS	N/A
CommerceSync	February 24, 2022	Payroll and AP/AR automation	N/A	Acquisition	Constellation Software, FOG Software Group	N/A
Payrix	February 14, 2022	Payment platforms & POS	N/A	Acquisition	Fidelity National Information Services	N/A

Source: PitchBook | Geography: Global | *As of March 31, 2022



CELO



Founded
2017

Located
San Francisco, CA

Total raised:
at least \$57.2 million

Last financing:
Raised \$20.0M in a Series A

Lead investors:
[Andreessen Horowitz](#)

Overview

[Celo](#) is a mobile-first, Layer-1 blockchain compatible with the Ethereum Virtual Machine (EVM). The protocol leverages a proof-of-stake consensus mechanism to enable faster and cheaper transactions than [Ethereum](#). [Celo](#) differs from many other Layer-1 blockchains in that it targets disadvantaged users, including many in developing countries with low-end smartphones and basic internet connections. Instead of public keys, which are typically 256-bit encryption keys that are 42 characters long and used by many other Layer-1s, [Celo](#)'s dApps only require a phone number for users to access services. The blockchain's lightweight design also enables it to overcome high-latency and low-bandwidth difficulties prevalent in many other blockchains. These features enable applications built on [Celo](#) to have a lower barrier to entry and reach a wider audience. [Celo](#) also aims to be a carbon-negative blockchain by contributing funds from the network to carbon offsets. Many ReFi startups develop on or work with [Celo](#), including [Flow Carbon](#), Loam, MOSS, and [Regen Network](#).

Leadership

[Celo](#) was cofounded by President Rene Reinsberg, CTO Marek Olszewski, and Sepandar Kamvar, who all met during their time at Massachusetts Institute of Technology. Reinsberg and Olszewski previously founded Locu, a platform that connected local businesses with consumers. Kamvar served on the board of Locu. Locu was acquired by GoDaddy for \$70 million through its financial sponsors KKR, Silver Lake, and TCV. Reinsberg and Olszewski stayed at GoDaddy for around three years running product and engineering, respectively, before leaving in 2017 to cofound [Celo](#) along with Kamvar.



Figure 19. Celo financing history

Late-stage VC	Late-stage VC	Series A	Late-stage VC	Accelerator/Incubator	Early-stage VC
July 2021	April 2021	February 2021	January 2020	September 2018	June 2018
Total raised: N/A	Round size: N/A	Round size: \$20.0M	Round size: \$30.7M	Round size: N/A	Round size: \$6.5M
Pre-money valuation: \$57.2M	Total raised: \$57.2M	Total raised: \$57.2M	Total raised: \$37.2M	Total raised: \$6.5M	Total raised: \$6.5M
Investors: Prosus, Hack VC, Birchaven Group, Intersection Fintech Ventures	Investors: T-Systems International, Caffeinated Capital, DTCP and Deutsche Telekom	Investors: Andreessen Horowitz, Greenfield One, Electric Capital, Floem Capital, KSK Angel Fund	Investors: Andreessen Horowitz, Spectra Investments, CMT Digital, Dragonfly Capital Partners, Electric Capital, Future\Perfect Ventures, Polychain Capital, Valor Capital Group	Investors: Google for Startups Accelerator	Investors: Coinbase Ventures, Andreessen Horowitz, General Catalyst, Social Capital, 9Yards Capital, Dragonfly Capital Partners, Polychain Capital, among others



About PitchBook Emerging Tech Research

Independent, objective and timely market intel

As the private markets continue to grow in complexity and competition, it's essential for investors to understand the industries, sectors and companies driving the asset class.

Our Emerging Tech Research provides detailed analysis of nascent tech sectors so you can better navigate the changing markets you operate in—and pursue new opportunities with confidence.

©2022 by PitchBook Data, Inc. All rights reserved. No part of this publication may be reproduced in any form or by any means—graphic, electronic, or mechanical, including photocopying, recording, taping, and information storage and retrieval systems—without the express written permission of PitchBook Data, Inc. Contents are based on information from sources believed to be reliable, but accuracy and completeness cannot be guaranteed. Nothing herein should be construed as any past, current or future recommendation to buy or sell any security or an offer to sell, or a solicitation of an offer to buy any security. This material does not purport to contain all of the information that a prospective investor may wish to consider and is not to be relied upon as such or used in substitution for the exercise of independent judgment.

PitchBook Data, Inc.

John Gabbert Founder, CEO

Nizar Tarhuni Senior Director, Institutional Research & Editorial

Paul Condra Head of Emerging Technology Research

Additional research

Agtech

Alex Frederick
alex.frederick@pitchbook.com

Artificial Intelligence & Machine Learning

Brendan Burke
brendan.burke@pitchbook.com

Fintech

Robert Le
robert.le@pitchbook.com

Foodtech

Alex Frederick
alex.frederick@pitchbook.com

Information Security

Brendan Burke
brendan.burke@pitchbook.com

Insurtech

Robert Le
robert.le@pitchbook.com

Internet of Things (IoT)

Brendan Burke
brendan.burke@pitchbook.com

Mobility Tech

Jonathan Geurkink
jonathan.geurkink@pitchbook.com

Supply Chain

Jonathan Geurkink
jonathan.geurkink@pitchbook.com

Emerging Spaces and Vertical Snapshots

Ryan Vaswani
ryan.vaswani@pitchbook.com