

Tepid UK & European private capital markets spur unicorns into inorganic opportunities

UK & European Financial Services M&A:
Sector Trends H2 2023 | H1 2024

Fintech

3 reasons for continuously high fintech M&A activity levels:

Banks target indirect digital access:

Through credit lines, investments in venture capital funds, collaborations with innovators and establishment of next generation incubators.

No shortage of asset availability:

Financial sponsors seizing exit opportunities, fintechs shedding non-core business lines and banks cashing-out.

Thinning of the herd:

Private capital drought claims its first victims—overcrowded consumer finance and payments verticals yield the most casualties.

Tepid UK & European private capital markets spur unicorns into inorganic opportunities

Overview



Current market

UK & European private capital appetite cools—fintechs are forced to restructure and explore other opportunities for growth.



We are seeing

Banks double-down on digitalisation:

- **Acquisitions of digital distribution channels** (e.g., Crédit Agricole's acquisitions of Pledg and Worklife)
- **Equity investments into software providers** (e.g., Emirates NBD's equity investments in Erguvan and Komgo)
- **Venture fund investments—Citi Ventures one of the most active in the last 12 months** (e.g., participation in funding rounds for Colendi, TUUM, PPRO, Defacto and Komgo)
- **Partnerships with digital asset tech providers** (e.g., Deutsche Bank's customer deposits & withdrawals JV with Bitpanda and €-denominated stablecoin JV with Galaxy Digital / Flow Traders)
- **Development of 'home grown' technology, both directly** (e.g., Garanti BBVA's launch of Bonus Platinum Biometric Card) **as well as through venture arms** (e.g., Standard Chartered's / SC Ventures' launch of SOLV Ghana) **and via partnerships** (e.g., HSBC's launch of Zing in collaboration with Visa)

Banks gain access indirectly through:

- **Credit lines** (e.g., Deutsche Bank's £100 million securitised debt financing for Zilch and JP Morgan's US\$700 million debt funding for Tabby)
- **Investments in venture capital funds** (e.g., Raiffeisen's investment in Elevator Ventures' €70 million venture capital fund, EV II)

- **Collaborations with innovators** (e.g., BNP Paribas' launch of Panto, in partnership with Startup Studio 321, and BNY Mellon's launch of Alpheya, in partnership with Lunate)
- **Establishment of next generation incubators** (e.g., BNP Paribas' launch of UK innovation lab, in partnership with SuperTech)

As 'big name' VCs cherry-pick investment opportunities, fintechs rely heavily on debt:

- **Mixed equity and debt funding rounds: both early stage** (e.g., Zanifu's US\$11.2 million pre-Series A debt & equity funding round) **and late stage** (e.g., Abound's £800 million debt & equity funding round)
- **Debt funding from venture capital sponsors: predominantly early-stage** (e.g., TRIVER's €22.9 million debt facility from Avellinia Capital and Multifis' £10 million debt funding round led by Fasanara Capital)
- **Debt funding from specialist providers: predominantly mid-stage** (e.g., Kriya's £50 million debt financing from Viola Credit)
- **Credit lines from established banks: predominantly late-stage** (e.g., Barclays' £200 million debt funding for iwoca)

Established / mature fintechs pivot:

- **Merger with compatible competitors** (e.g., merger of Trustly and Slimpay)
- **Acquisition of competitors** (>35 significant consolidation deals in the last 12 months)
- **Strategic tie-ups to scale-up** (>25 significant partnerships in the last 12 months)
- **Entry into new verticals** (e.g., SumUp's launches of POS Lite and Cash Advance services)

Operational stress fractures come to the fore:

- **Corporate shake-ups** (e.g., Monese & XYB and Bitpanda & Bitpanda Pro / One Trading de-mergers)



Guy Potel

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Dan Turgel

Co-head of Global Technology Industry Group & Co-head of EMEA Fast Growth, EMEA Corporate Group, Fast Growth / Private M&A, Partner, London



Pressure is mounting on PE / VC investors to return capital to their LPs. While market appetite for IPOs remains luke warm, portfolio businesses are under pressure to deliver exits in other ways—that’s a key driver behind consolidation in the UK & European fintech sector.”

Guy Potel

- **Wind-downs—overcrowded consumer finance vertical** (e.g., Divido, Laybuy, Fronted, ZestMoney and Koyo Loans shut shop) **and payments vertical** (e.g., Silverbird, Twig, Kikapay, Paysme and Cardeo shut shop) **claim the most victims**



Key drivers

Financial sponsors sign equity cheques for:

- **Well-known brands, evidencing clear pathway to profitability / exit:**

Hottest fintech verticals for fundraising activity in the last 12 months:

- 1st | Consumer finance & neo-banking**
>40 successful fundraisings, including:
 - Monzo’s US\$190 million late-stage funding round
 - Lunar’s €24.1 million Series D funding round
 - MyInvestor’s €45 million Series C funding round
- 2nd | Payments**
>25 successful fundraisings, including:
 - SumUp’s €1.5 billion late-stage funding round
 - Nium’s US\$50 million Series E funding round
 - Vitesse’s US\$93 million Series C funding round
- 3rd | SME lending**
>10 successful fundraisings, including:
 - Finiata’s €20 million late-stage equity funding round
 - FINOM’s €50 million Series B funding round
 - Defacto’s €10 million Series A+ funding round

- **New tech—all cheque sizes** (e.g., Clover’s US\$114 million Seed funding round, Portal’s US\$34 million Seed funding round and Spektr’s €5 million Seed funding round)
- **Fintechs penetrating new geographic markets—number of African fintech start-ups grew by 17.7% in the last 24 months, with Nigeria, Egypt, Kenya and South Africa dominating**

Search for scale drives fintech M&A activity:

Hottest fintech verticals for consolidation activity in the last 12 months:

Acquisitions

- 1st | Trading & data analytics**
Selection of market examples, including:
 - Access Group’s acquisition of Lightyear
 - Lesaka’s acquisition of Touchsides
 - Levenue’s acquisition of Cake
- 2nd | Payments**
Selection of market examples, including:
 - Spendesk’s acquisition of Okko
 - GSTechnologies’ acquisition of 60% of EasySend
 - OPay’s acquisition of FINJA
- 3rd | InsurTech**
Selection of market examples, including:
 - BSI’s acquisition of riskine
 - bolttech’s acquisition of Digital Care
 - Getsafe’s acquisition of Luko’s German business

Hottest fintech verticals for consolidation activity in the last 12 months continued:

Partnerships

1st | Payments

Selection of market examples, including:

- Thought Machine’s core banking JV with Mastercard
- Airwallex’s global payments JV with Bird
- StoneX Payments’ cross-border payments JV with NatWest

2nd | RegTech

Selection of market examples, including:

- Nium’s payments compliance JV with Trulioo
- Kaizen’s regulatory reporting JV with Berenberg
- Symphony’s financial markets voice analytics JV with Google

3rd | WealthTech

Selection of market examples, including:

- Lunate’s MENA wealth management technology JV (Alpheya) with BNY Mellon
- WealthOS’s technology partnership with Quai Digital
- FusionIQ’s a mutual referral partnership with interVal

Continued interest in fintech M&A opportunities by myriad of investors, including:

- **Corporates searching for complementary client bases, capabilities and experience** (e.g., Alpha Group’s acquisition of 85% of Cobase)
- **UHNWs searching for investment returns** (e.g., Sheikha Amal Suhail Bahwan’s acquisition of equity stake in Monument Bank)
- **SWFs searching for opportunities to deploy state funds** (e.g., GIC’s participation in Monzo’s US\$190 million late-stage funding round)

No shortage of asset availability:

- **JV participants dissolve partnerships** (e.g., Saxo Bank’s sale of its stake in Saxo Fintech to Geely Group)

- **Financial sponsors seizing exit opportunities** (e.g., CDP Venture Capital’s and Digital Magics’ disposal of Axieme)
- **Incubators running their course** (e.g., Deloitte’s disposal of UK RegTech business)
- **Fintech decacorns getting race fit** (e.g., Klarna’s disposal of Hero and Klarna Kosma)
- **Banks cashing-out** (e.g., ING’s disposals of CoopID, Blacksmith KYC and Cobase)



Trends to watch

Greater number of transactions, but smaller ticket—more fintechs willing to close funding rounds earlier in the hope of more favourable conditions for extension rounds

Uptick in consolidation activity as fintechs combine to weather scrutiny of financial sponsor investment committees—expect more “paper only” deals

Governments, regulators and politicians play a vocal role in fintech development:

- **Differing views on BigTech within financial services: policy-makers provide support** (e.g., U.S. and UAE governments’ support of Microsoft’s acquisition of US\$1.5 billion interest in G42), **while regulators express scepticism** (e.g., UK FCA’s investigations into competitive implications of BigTech)
- **Improving sentiment towards digital assets: embrace of securities tokenisation** (e.g., key aim of UK Labour Party) **and right-sizing of regulation** (e.g., UK Treasury’s rejection by all-party parliamentary committee’s proposals for consumer trading in unbacked crypto to be regulated as gambling)
- **Approach to deployment of government-backed funding: government funds invest directly into start-ups, both advanced-stage** (e.g., Folketrygdfondet’s participation in €82 million funding round in Ageras) **and early-stage** (e.g., Flemish Welfare Fund’s participation in €11.5 million funding round in Lizy)

Our M&A forecast



Europe’s fintech ecosystem has matured significantly in the last year, and will continue to do so in the next year.

Expect equity funding to remain challenging, with onerous / prescriptive terms around down-round protection, exit timing and use of proceeds becoming the norm. We expect

an increasing willingness within the fintech community to accept debt alternatives or turn to credit lines from banks.

It seems inevitable that a greater number of fintechs will be forced out of the market—but that creates opportunity for those which survive!

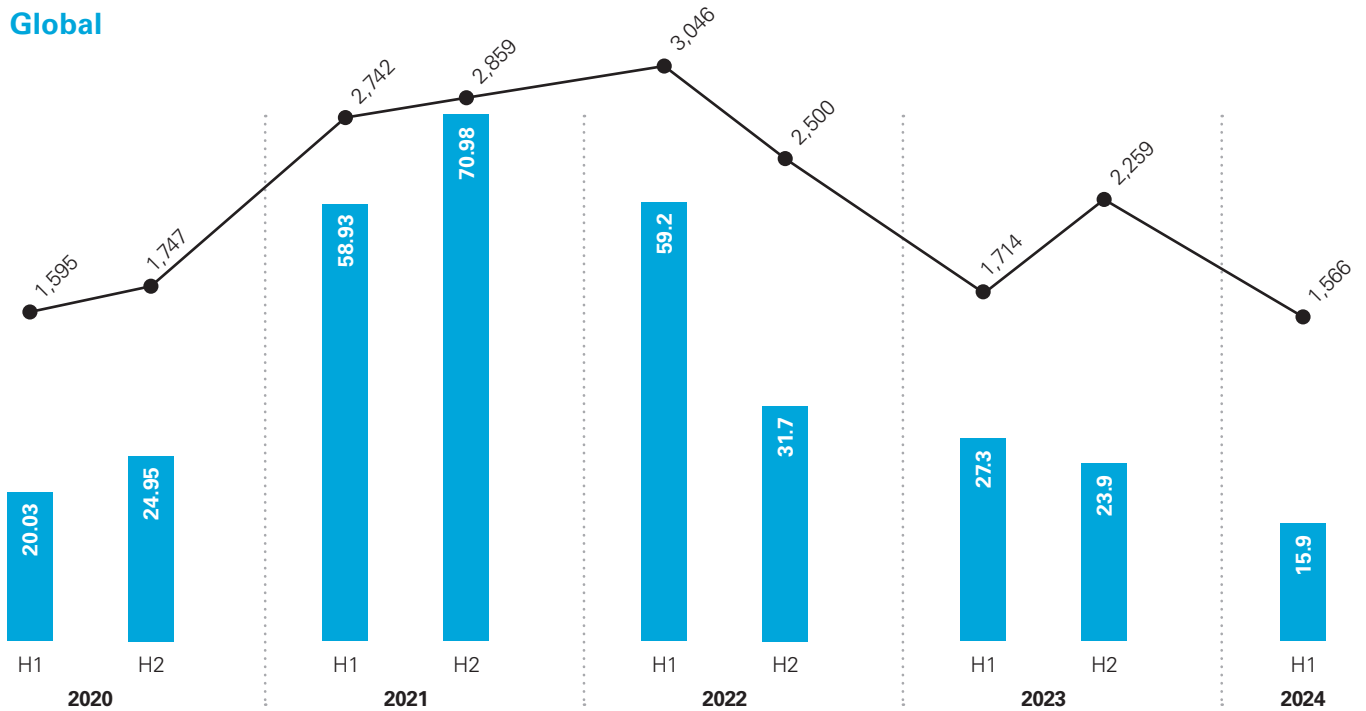
M&A forecast legend

- ▲▲▲▲▲ Flat
- ▲▲▲▲▲ Limited growth
- ▲▲▲▲▲ Steady growth
- ▲▲▲▲▲ Strong growth
- ▲▲▲▲▲ Very strong growth

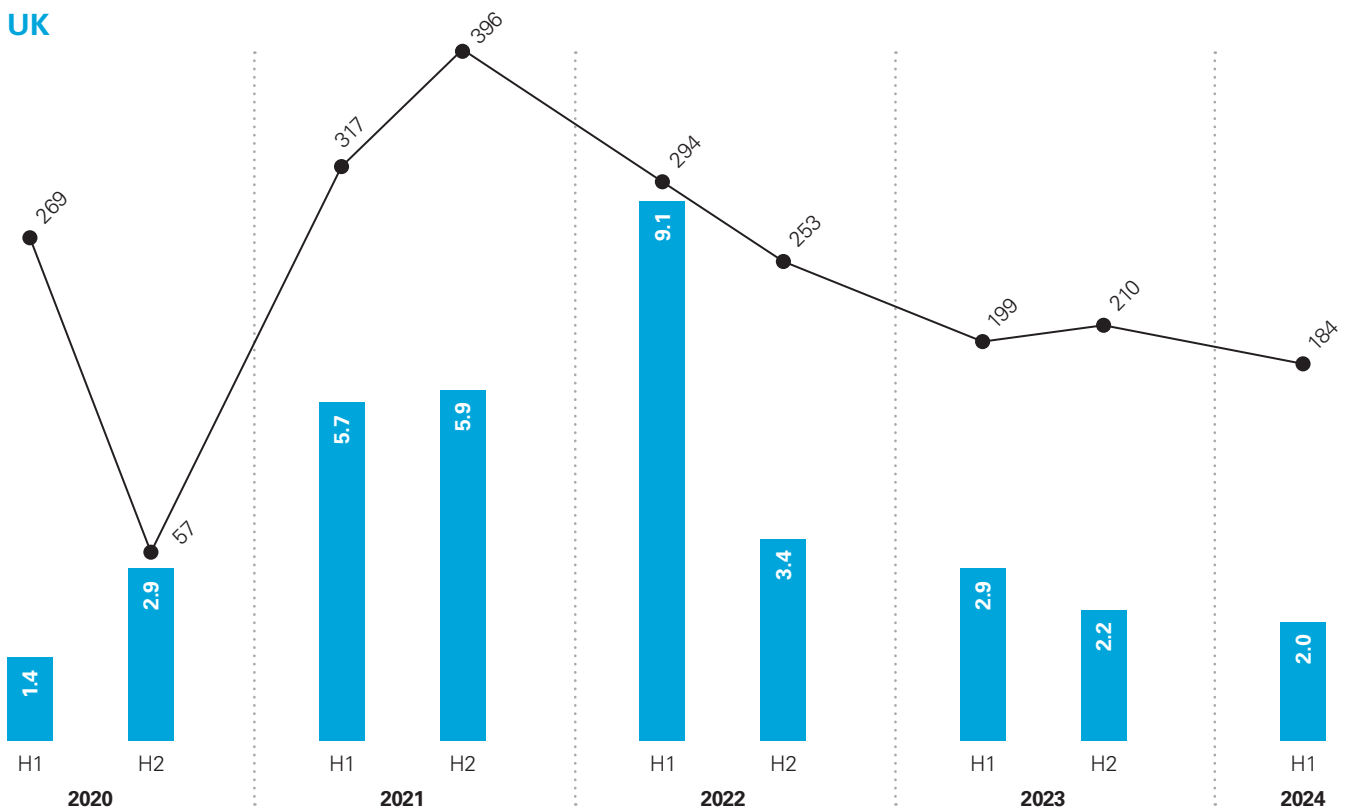
5-year fintech funding landscape

Set out below are diagrammatic illustrations of the volume of capital raised, as well as number of fundraising deals executed, by fintechs over the last 5 years.

Global



UK



Source: Innovate Finance

■ Value in US\$ billions
● Number of deals

5 key investor rights for 2024 – What you need to know

Overview



Liquidation preference

How does it work?

The incoming investor receives a contractually agreed preferential payout if / when the investee company experiences a “liquidity event” (such as a sale or IPO).

Why is it used?

Liquidation preferences are used to grant an incoming investor a higher priority of return than an existing investor, when calculating returns at exit (the typical VC / growth model is “last in, first out”).

How common is it?

1x non-participating liquidation preferences (where the investor will receive the higher of the amount invested and their pro rata share of the invested company) are still the norm (especially for early stage), but we are beginning to see later stage investors insist on higher liquidation preferences.

In the current market climate, we are seeing enhanced liquidation preferences (even with up to 3x return). This structuring allows an investee company to avoid a down round (at least, optically) by issuing fresh equity at a flat (or even higher) price per share to the previous funding round, although the incoming investor is not truly taking the risk of the investment at the valuation of the current funding round.



Guaranteed minimum returns

How does it work?

A veto right which prevents an investor from being dragged into an exit which is taking place below a certain threshold return (this is usually tied to the latest investor’s liquidation preference, but can increase over time to capture an expected rate of return).

Why is it used?

Provides an incoming investor with a level of comfort as to the minimum return that it will achieve on its investment (perhaps within a certain timeframe).

How common is it?

Common in the current market climate and often structured as a straight veto. We see this as a blunt instrument and so would recommend replacing it with a “make-whole” concept instead, allowing an exit to proceed below the required threshold provided that the investee company is able to make a make-whole payment to the incoming investor to bring the incoming investor up to the desired threshold.



Anti-dilution rights

How does it work?

A price protection mechanism which is triggered if new shares are issued at a valuation which is lower than that at which an investor originally invested (i.e. a down round). It typically functions by applying a formula to calculate the number of new bonus shares which the investor will receive.

Why is it used?

To protect the value of an investor’s stake in the investee company, by offsetting the dilutive effect of an issue of cheaper shares.

How common is it?

Common in the current market climate. We are also seeing anti-dilution terms introduced at an earlier stage (i.e. Seed and Series A), given the prevalence of down rounds.



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Hyder Jumabhoy

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Pay-to-play

How does it work?

Most commonly, this will operate by:

- the investee company issuing a large number of new shares to the participating investors at a low valuation (resulting in severe dilution to existing shareholdings);
- forced conversions of existing preferred shares;
- a share split; or
- the issue of a new class of preference shares to participating investors with a very high senior preference.

Why is it used?

It acts as an incentivisation to existing investors to participate in a new financing round, either by negatively impacting investors who opt not to participate or rewarding investors who choose to participate.

How common is it?

Very common in the current market climate. We are increasingly seeing companies explore “cram down” financings.

A “cram down” financing is new financing with terms significantly dilutive to non-participating investors, which are typically structured on a pay-to-play basis, led by one or more of the investee company’s existing investors and, in the most severe cases, will result in non-participating investors ending up with little to no ownership stake following the funding round (or no meaningful prospect of a return on their investment).

Initially, post the 2022 downturn, companies were reluctant to accept the consequences of a “cram down” and instead opted to subscribe for convertible loan notes or other instruments which deferred valuation debate. However, companies are now realising they need to “fix” their capital structure if they want to incentivise employees and attract third party financing.



Redemption rights

How does it work?

Right to demand, under certain conditions, that the investee company redeems / buys back its own shares from its investors at a fixed price.

Why is it used?

This right may be included to require an investee company to redeem / buy back its shares if there has not been an exit within a pre-determined period, providing the incoming investor with a level of comfort as to the return it will achieve within a certain timeframe.

Failure to redeem shares when requested might result in the incoming investor gaining improved rights, such as enhanced voting rights. A right of redemption can also be used by an incoming investor where it needs to strongly discourage an investee company from breaching certain obligations, by enabling a quick disposal of shareholding.

How common is it?

A right of redemption / buy back is not appropriate for every investment and, in the UK and certain other jurisdictions, there are legal requirements that must be satisfied before a company can redeem / buy back any of its shares.

In jurisdictions where redemption / buy back is not possible under local law, an alternative could be to negotiate a conditional right for the investors to sell their shares to the investee company’s founders at a fixed price.



Fintech – Publicly reported deals & situations



Banks adopt multi-channel approach

Market commentary:

43% of European banks are investing in fintech start-ups and 36% are building their own greenfield digital bank or fintech company (*Finextra–February 2024*).

Nearly half of all banks are looking to buy majority stakes in fintechs to fend off the threat from BigTech (*Finextra–November 2023*).

Acquisitions:

NatWest Payments

Acquisition of minority stake in Icon Solutions

March 2024

Crédit Agricole POS lending

Acquisition of Pledg

BAWAG Digital banking

Acquisition of Knab

February 2024

Nordiska Kreditmarkn- adsaktiebolaget SME finance

Acquisition of Release Finans

ABN AMRO Bank Neo-broking

Acquisition of BUX

December 2023

Dubai Islamic Bank Digital banking

Acquisition of 20% of T.O.M. Katilim Bankasi

Crédit Agricole Employee benefits SaaS

Acquisition of Worklife

September 2023

Equity investments:

Citi SME lending

AI-powered modular commercial lending platform equity investment in Numerated

Rabobank RegTech

Participation in Series B+ funding round in Hawk

June 2024

Bank of Georgia Digital banking

Participation in US\$32 million Series B+ funding round in Fintech Farm

Danske Bank Digital transformation platform

Equity investment in United Fintech

May 2024

Zions Bank Credit-card-as-a-service

Participation in US\$85 million Series C funding round in Brim Financial

April 2024

J.P. Morgan Payments

Participation in €85 million funding round in PPRO

March 2024

HSBC WealthTech

Participation in €12 million Series A funding round in Unbox

JPMorgan Chase BaaS

Participation in US\$45 million funding round in 10x Banking Technology

January 2024

Groupe BPCE and Crédito Agricola Personal finance management

Participation in €15 million Series D funding round in Meniga

Citi (Treasury and Trade Solutions) Payments

Equity investment in Icon Solutions

December 2023

Goldman Sachs Payments

Participation in £77.7 million Series B funding round in Fnality

BNP Paribas Payments

Participation in £77.7 million Series B funding round in Fnality

BBVA Digital banking

Participation in £100 million funding round in Atom Bank

November 2023

Isbank Mobile banking

Equity investment of US\$50 million in Getir

August 2023

Emirates NBD ESGTech

Participation in Seed funding round in Erguvan

Emirates NBD Trade finance software

Participation in funding round in Komgo

September 2023

HSBC Supply chain finance

Participation in US\$35 million funding round in Tradeshift

August 2023

Fintech – Publicly reported deals & situations

Banks adopt multi-channel approach continued

BBVA

Embedded finance

Participation in €38 million Series F funding round in Solaris

July 2023

Santander

Trade finance software

Participation in equity funding round in Komgo

June 2023

Partnerships:

Deutsche Bank

Crypto

Customer deposits and withdrawals JV with Bitpanda

June 2024

NatWest

Payments

Cross-border payments JV with StoneX Payments

April 2024

Berenberg

RegTech

Regulatory reporting JV with Kaizen

National Bank of Oman

B2B payments

B2B payments JV with PayMate

January 2024

BNY Mellon

WealthTech

MENA wealth management technology JV (Alpheya) with Lunate

SC Ventures (Standard Chartered)

Digital assets

Digital asset JV with SBI Holding

November 2023

BNP Paribas

Payments

Marketplace payments JV (Panto) with Startup Studio 321

Isbank

Mobile banking

BaaS JV (GetirFinans) with Getir

October 2023

Venture fund investments:

NAB Ventures

Digital asset custody

Equity investment in Zodia Custody

June 2024

CommerzVentures and UBS

ClimateTech

Participation in €34 million Series B funding round in Doconomy

Citi Ventures

Digital banking

Participation in US\$65 million funding round in Colendi

May 2024

Citi Ventures

Core banking platform

Participation in Series B+ funding round in TUUM

Citi Ventures

Payments

Participation in €80 million funding round in PPRO

March 2024

CommerzVentures

Core banking platform

Participation in €25 million Series B funding round in TUUM

February 2024

Citi Ventures

SME lending

Participation in €10 million Series A+ funding round in Defacto

November 2023

ABN AMRO Ventures

SaaS

Participation in €30 million funding round in Upvest

October 2023

Citi Ventures

Trade finance software

Participation in funding round in Komgo

September 2023

Debt funding:

Deutsche Bank

BNPL

Arrangement of £100 million securitised debt financing in Zilch

June 2024

Citigroup

Consumer credit

Debt participation in £800 million debt and equity funding round in Abound

Goldman Sachs

Payments

Participation in €1.5 billion private credit debt funding round in SumUp

May 2024

Standard Bank

BNPL

Provision of US\$10 million growth debt facility to Float Technologies Proprietary

March 2024

J.P. Morgan

BNPL

Participation in US\$700 million debt funding round in Tabby

December 2023

Barclays Bank

SME lending

Participation in £200 million debt funding round in iwoca

October 2023

Goldman Sachs

and Citibank

SME lending

Participation in £136 million securitised funding round in Fleximize

BBVA Spark

Payroll finance

Participation in €20 million debt funding round in Payflow

September 2023



Forward-flow arrangements:

Jefferies Financial and Santander CIB

Consumer credit

Participation in £272 million funding round in Updraft, by way of £250 million forward flow

December 2023

Financial backing for VCs:

Banco Santander

Venture capital

Acquisition of 33% of Seaya Ventures

February 2024

Dedicated fintech funds:

Raiffeisen Bank International

Investment in Elevator Ventures' €70 million venture capital fund, EV II, aimed at Series A and Series B fintech investments

April 2024

Incubators:

BNP Paribas

Launch of UK innovation lab, in partnership with SuperTech, focused on SME apps

January 2024

Homegrown:

TBC Bank Uzbekistan

Successful US\$38.2 million equity investment from TBC Bank Group, EBRD and IFC to launch new AI-enabled capabilities

July 2024

Standard Chartered / SC Ventures

Launch of Ghanaian B2B online lending marketplace, SOLV Ghana

Garanti BBVA

Launch of Bonus Platinum Biometric Card

February 2024

HSBC

Launch of Zing global currency conversion app

January 2024

Emirates NBD

Launch of ENBD X

September 2023

CaixaBank

Launch of FXWallets

July 2023

Fintech – Publicly reported deals & situations



Financial sponsors keep the faith

Deal highlights:

White & Case advised Pollen Street Capital on its multi-layered investment in WealthTech niio.finance, listed on Börse Düsseldorf and the Frankfurt Stock Exchange.

White & Case advised finmid, the Germany-based embedded financing solutions provider, on its Series A funding round, which comprised primary equity investments by Blossom Capital and Earlybird Ventures as well as a secondary sale of shares by existing shareholders.

White & Case advised finmid, the Germany-based embedded financing solutions provider, on its debt funding round structured as an issue of convertible loan notes.

White & Case advised finmid, the Germany-based embedded financing solutions provider, on the issuance of registered senior notes through a Luxembourg special purpose vehicle to Israel-based debt investor Viola.

Market commentary:

Sponsors have been exploring partial exits, continuation funds and dividend recaps as pressure to return capital to LPs mounts (*Mergermarket–March 2024*).

The fintech market is returning to some sense of normality in terms of valuations after a period in which it “largely lost its head,” according to CEO of Augmentum Fintech (*Finextra–November 2023*).

Participation in funding rounds:

Alven Capital InsurTech

Participation in US\$15 million Series A funding round in Supercede

EQT and Alpha JWC Ventures InsurTech

Participation in US\$35 million Series A funding round in Peak3

BOND, NewView Capital and Tribe Capital Payments

Participation in US\$50 million Series E funding round in Nium

June 2024

Dawn Capital InsurTech

Participation in £15 million funding round in Bondaval

Paypoint

Open banking

£1 million equity investment in Aperidata

Wellstreet

ClimateTech

Participation in £1.1 million funding round in Deedster

Lowercarbon Capital

ClimateTech

Participation in US\$114 million Seed funding round in Clover

Migros Ticaret, Sepil Ventures, Re-Pie Asset Management, Finberg and Hedef Holding Digital banking

Participation in US\$65 million funding round in Colendi

KKR and Hannover Digital Investments Payments

Participation in US\$93 million Series C funding round in Vitesse

Spark Capital, Dawn Capital, King River Capital and G Squared InsurTech

Participation in US\$80 million Series E funding round in Cover Genius

Nordstar

Digital banking

Participation in US\$32 million Series B and B+ funding round in Fintech Farm

Capital G and Hedosophia Digital banking

Participation in US\$190 million funding round in Monzo

Idékapital InsurTech

Participation in funding round in Simplifai

GSR Ventures and Hambro Perks Consumer credit

Equity participation in £800 million debt and equity funding round in Abound

May 2024

EMERAM

Cash management SaaS

Undisclosed equity investment in CoCoNet

Investcorp and Lazard SaaS

Participation in €82 million funding round in Ageras

April 2024

Portage, International Finance Corporation, Spark Capital, Earlybird Digital East Fund and Revo Capital WealthTech

Participation in US\$45 million funding round in Midas

Dawn Capital and Seed Capital Denmark

Payments

Participation in €45 million Series B funding round in Flatpay

Blossom Capital and Earlybird VC

Embedded finance

Participation in €35 million funding round in finmid

ICONIQ Growth, BDT & MSD Partners and World Innovation Lab

Accounting SaaS

Participation in US\$100 million Series E funding round in FloQast

EDC Investments, Vistara Growth, White Owl Group and Epic Ventures

Credit-card-as-a-service

Participation in US\$85 million Series C funding round in Brim Financial

ICONIQ Growth

Accounting technology

Participation in US\$100 million Series E funding round in FloQast

April 2024

Key1 Capital

AI fund management

Participation in US\$100 million Series C funding round in FundGuard

Mubadala Investment, The Latest Ventures, Africinvest, Palm Drive Capital, Triatum Advisors and Future Africa

Automobile finance

Participation in US\$100 million Series B funding round in Moove

Teachers' Venture Growth B2B SaaS

Participation in US\$80 million funding round in Perfios

CapitalG, Hongshan Capital, Google Ventures, Tencent and Passion Capital

Digital banking
Participation in US\$430 million funding round in Monzo

March 2024

Crestline Investors

RegTech

Participation in £45 million funding round in Napier AI

Northzone and General Catalyst

SME finance

Participation in €50 million Series B funding round in FINOM

Motive Partners, Unusual Ventures and Bain Capital

Embedded payments

Participation in US\$14 million Series B funding round in Navro

KuCoin Ventures

Crypto infrastructure

Participation in equity funding round in Ta-da

TruStage Ventures and Curql Collective

Mobile banking technology

Participation in US\$7.7 million Series A funding round in Pulsate

Sequoia Capital and DST Global

Accounting technology

Participation in €40 million Series C funding round in Pennylane

Northzone, Seedcamp and PreSeed Ventures

RegTech

Participation in €5 million Seed funding round in Spektr

Electric Capital

Crypto wallet

Participation in US\$10 million Seed+ funding round in Fordefi

February 2024

OKX Ventures, Arrington Capital, Coinbase Ventures and Gate.io

Crypto wallet

Participation in US\$34 million Seed funding round in Portal

Molten Ventures, SBI Investment, Alstin Capital and Motive Ventures

Cards-as-a-service

Participation in €33 million Series A+ funding round in Pliant

VentureFriends, AlleyCorp and u.ventures

Automotive finance

Participation in £15.5 million funding round in Carmoola

Battery Ventures

InsurTech

Participation in US\$73 million Series B funding round in Hyperexponential

Portage WealthTech

Participation in £25 million Series A funding round in ZILO

Maven 11 and Balderton

Crypto custody

Participation in US\$15 million funding round in Finoa

Nortia Capital

Neo-banking

Participation in €45 million Series C funding round in MyInvestor

Autotech Ventures

Automotive finance

Participation in €46 million Series B funding round in Bumper

January 2024

Hassana Investment

BNPL

Participation in US\$250 million Series D+ funding round in Tabby

Quilam Capital

Consumer credit

Participation in £22 million funding round in Updraft

SNB Capital and Sanabil Investments

BNPL

Participation in US\$340 million Series C funding round in Tamara

Omega EHF

Personal finance management

Participation in €15 million Series D funding round in Meniga

Fintech – Publicly reported deals & situations

Financial sponsors keep the faith continued

Sanabil Investments

Payments

Participation in US\$14 million Series A funding round in Nearpay

13books Capital

Invoice financing

Participation in €15 million funding round in Aria

Bain Capital Tech Opportunities and Sixth Street Growth

Payments

Participation in €285 million debt and equity funding round in SumUp

M&G Investments

Digital asset exchange

Participation in US\$30 million Series B funding round in GFO-X

Balderton Capital

WealthTech

Participation in €60 million Series E+ funding round in Scalable Capital

ICONIQ Growth

Trade technology

Participation in US\$60 million funding round in Pontera

December 2023

Maki.vc and Vitruvian Partners

Payments

Participation in €8.5 million Series C+ funding round in Enfuce

Infravia Growth Capital, One Peak Partners and Hermes GPE

Payments

Participation in US\$65 million funding round in Paysend

Avellinia Capital

SME / working capital finance

Participation in £20 million funding round in TRIVER

Global Paytech Ventures

Payments

Participation in €15 million funding round in Silverflow

Rockaway Blockchain Fund

Decentralised debt funding platform

Participation in US\$60 million funding round in Credix

Ribbit Capital

Payments

Participation in US\$75 million Series B funding round in Imprint

Fasanara Capital

Payments

Participation in €34.5 million Seed funding round in Qomodo

Wellington Management

BNPL

Participation in US\$200 million Series D funding round in Tabby

Infinity Investment Partners and Toscafund

Digital banking

Participation in £100 million funding round in Atom Bank

November 2023

eBay Ventures

BNPL

Participation in equity funding round in Zilch

Moneta Venture Capital and D Squared Capital

Participation in £24 million funding round in Railsr

Fasanara Capital

SME lending

Participation in £10 million debt funding round in multifi

Canapi Ventures

Data analytics

Participation in US\$43 million Series C funding round in Nova Credit

Pollen Street

WealthTech

Equity investment in niio finance

Varde Partners

SME lending

Participation in £200 million debt funding round in iwoca

Mediterrania Capital Partners

Payments

Participation in €57 million funding round in Cash Plus

HV Capital, 10x Capital, Earlybird, Notion Capital and Bessemer Venture Partners

Digital investment platform

Participation in €30 million funding round in Upvest

Fasanara Capital

Decentralised finance

Participation in US\$13.5 million funding round in Untangled Finance

HV Capital

SaaS

Participation in US\$12.5 million funding round in Kennek

Dawn Capital

Payments

Participation in US\$60 million funding round in Brite Payments

Ribbit Capital

Payments

Participation in US\$25 million Series A+ funding round in Stitch

October 2023

Silverstripe Investment Management

Mortgage lending

Participation in US\$52 million funding round in Perenna

Index Ventures

SME invoice processing software

Participation in US\$15 million Series A funding round in Apron

Britannia, Outward Venture Capital, IDC Ventures, Cohen

Circle and Cercano Management

Payments

Participation in £58 million Series C+ funding round in Curve

Susquehanna Private Equity

Pre-paid debit card app for kids

Participation in US\$24 million Series A funding round in HyperJar

Serena Capital, Purple and Motier Ventures

DLT treasury management

Participation in €15 million Seed funding round in Fipto

Lakestar

BaaS

Participation in €37 million Series B funding round in Swan

Silverstripe

Digital banking

Participation in £75 million internal funding round in Zopa

Portage Ventures

RegTech

Participation in US\$57 million funding round in ThetaRay

September 2023

Fasanara Capital

SME lending

Participation in €20 million equity funding round in Finiata

Beyond Capital Ventures and Variant Investments

SME lending

Participation in US\$11.2 million pre-Series A debt & equity funding round in Zanifu

August 2023

Pollen Street Capital

Neo-banking

Participation in €44.5 million funding round in bunq

SoftBank Vision Fund 2

InsurTech

Participation in US\$65 million Series E funding round in Tractable

Finleap, Lakestar, Decisive and HV Capital Embedded finance

Participation in €38 million Series F funding round in Solaris

Quilam Capital

Neo-banking

Participation in £20 million funding round in Tandem

July 2023

Valar Ventures

Crypto trading

Participation in €30 million funding round in Bitpanda

June 2023

Venture debt:

CVI Dom Maklerski

WealthTech

Provision of US\$12.3 million debt financing to Wealthon

June 2024

Acquisitions:

TPG and CDPQ

SaaS

Acquisition of equity stake in Aareon

June 2024

Triple

RegTech

Acquisition of majority stake in SmartSearch

March 2024

Fasanara Capital

Working capital finance

Acquisition of majority stake in Pollen VC

Amethis

Banking SaaS

Acquisition of majority stake in Capital Banking Solutions

January 2024

Fundraisings:

Elevator Ventures

EV II

Successful €70 million venture fundraising for Series A and Series B fintech investments

Scayl

Debt financing platform

Successful €100 million funding round

April 2024

Partech Partners

Partech Venture

Successful €360 million fundraising for dedicated software, data and fintech fund

December 2023

Northern Gritstone

Investment company

Successful £312 million fundraising for dedicated early-stage fund

October 2023

Expanding VC capability / capacity:

EMV Capital

Venture capital

Acquisition of Martlet Capital's VC business

May 2024

Fintech – Publicly reported deals & situations



Other FIs double-down on digitalisation

Deal highlight:

White & Case advised Luko, one of Europe's leading InsurTech providers in the home insurance space, on its sale to Admiral Group, a FTSE100-listed international insurance group.

Verisk Analytics

InsurTech

Acquisition of Rocket Enterprise Solutions

January 2024

Admiral Group

InsurTech

Acquisition of Luko

October 2023

(subsequently aborted)

Vitanuova

InsurTech

Acquisition of Axieme

September 2023



Non-FIs cherry pick investment opportunities

Corporates:

Alpha Group

Multi-banking platform

Acquisition of 85% of Cobase

September 2023

Geely Group

BaaS

Acquisition of Saxo Fintech

June 2023

UHNWs:

Sheikha Amal Suhail

Bahwan

Digital banking

Acquisition of equity stake in Monument Bank

May 2024

SWFs:

GIC

Digital banking

Participation in US\$190 million funding round in Monzo

May 2024

Dubai Investments

Neo-banking

Participation in £40.6 million Series B funding round in Monument Bank

November 2023



The wheel of time turns – cashing out

Financial sponsors:

Advent

SaaS

Disposal of equity stake in Aareon

June 2024

Stemar Capital,

Runa Capital and

Mazovia Capital

InsurTech

Disposal of Digital Care

October 2023

CDP Venture Capital and

Digital Magics

InsurTech

Disposal of Axieme

September 2023

Incubators:

Deloitte UK

RegTech

Disposal of RegTech business

May 2024

Fintechs:

Monese

Neo-banking

Disposal of UK consumer business

April 2024

Klarna

Payments

Disposal of checkout business

June 2024

Weavr

Open banking

Shutting down of Comma

October 2023

Block

BNPL

Shutting down of Verse in EU and Clearpay in Spain, France and Italy

August 2023

Klarna

Open banking

Shutting down of Klarna Kosma

July 2023



Banks:

Aareal Bank SaaS

Disposal of equity stake in Aareon

June 2024

ING

KYC / RegTech

Disposal of CoopID and Blacksmith KYC

January 2024

Alior Bank

SME lending

Disposal of Bancovo

November 2023

ING

Multi-banking platform

Disposal of 85% of Cobase

September 2023

Saxo Bank

BaaS

Disposal of Saxo Fintech

June 2023

IPOs:

Zaymer

Microfinance

US\$37.5 million Moscow Stock Exchange IPO

April 2024



Consolidation through acquisitions & partnerships

Deal highlight:

White & Case advised Klarna, the Nordic neo-banking and consumer finance unicorn, on the sale of its virtual shopping business Hero to Bambuser, a Swedish eCommerce tech company.

Market commentary:

In H1 2023, European fintech M&A activity was only down 5%, although there was an 84% decline in transaction sizes (*Finextra—September 2023*).

Acquisitions:

Robinhood

Crypto

Acquisition of Bitstamp

June 2024

Fabrick

Open banking

Acquisition of 75% of finAPI

Lukka

Crypto

Acquisition of Coinfirm

BSI

InsurTech

Acquisition of riskine

The Access Group

Finance automation

Acquisition of Lightyear

Corlytics

RegTech

Acquisition of Deloitte UK's RegTech business

May 2024

Spendesk

SaaS

Acquisition of Okko

Bambuser

e-commerce

Acquisition of Klarna's virtual shopping business Hero

Entrust

Digital ID verification / RegTech

Acquisition of Onfido

April 2024

Qonto

SaaS

Acquisition of Regate

Levenue

Revenue based finance

Acquisition of MidFunder

March 2024

Carbon

SME lending

Acquisition of Vella Finance

Lesaka

Data analytics

Acquisition of Touchsides

Trading Technologies

SaaS

Acquisition of Ateo

PragmaGO

Factoring and SME lending

Acquisition of Monevia

February 2024

team.blue

POS software

Acquisition of helloCash

ieDigital

Digital retirement solutions

Acquisition of ABAKA

Objectway

WealthTech

Acquisition of Nest Wealth

MyInvestor

Price comparison

Acquisition of majority stake in Helloteca

Encompass

KYC / RegTech

Acquisition of CoopID and Blacksmith KYC

Finax

WealthTech

Acquisition of ETFmatic

January 2024

GSTechnologies

Payments

Acquisition of 60% of EasySend

Fintech – Publicly reported deals & situations

Consolidation through acquisitions & partnerships continued

Confindo

SME lending

Acquisition of Bancovo

November 2023

bolttech

InsurTech

Acquisition of Digital Care

Getsafe

InsurTech

Acquisition of Luko's German business

ieDigital

SaaS

Acquisition of Connect FSS

October 2023

FE fundinfo

Data analytics

Acquisition of Adjuto

Jung, DMS & Cie

InsurTech

Acquisition of Plug-InSurance from eVorsorge Systems

Blackthorn Finance

Bill-splitting platform

Acquisition of Steven

OPay

Payments

Acquisition of FINJA

Netcompany

Financial software

Acquisition of 20% of Festina Finance

Rauva

Banking

Acquisition of Banco Empresas Montepio

Levenue

Personal financial management

Acquisition of Cake

Clear Junction

Crypto payments

Acquisition of Altalix

September 2023

Datasite / CapVest Partners

SaaS

Acquisition of MergerLinks

August 2023

ION

Banking

Acquisition of 32% of Cassa di Risparmio di Volterra

Papara

Neo-banking

Acquisition of Rebellion

Corlytics

RegTech

Acquisition of Clausematch

July 2023

Mergers:

FOCONIS AG, pdv

Financial Software & van den Berg FS

Banking SaaS

Merger

Riskconnect & Ventiv Technology

InsurTech

Merger

Trustly & Slimpay

Payments

Merger

January 2024

Collaborations:

Thought Machine

Digitalisation

Core banking JV with Mastercard

lemon.markets

Brokerage-as-a-Service

Brokerage-as-a-Service JV with Tomorrow

June 2024

Flagright

RegTech

Investment security JV with Baraka

Airwallex

Payments

Global payments JV with Bird

OakNorth

SMEs commercial debit cards

SMEs commercial debit cards JV with Marqeta

Klarna

Payments

Ridesharing and food delivery payments JV with Uber Technologies

Nium

RegTech

Payments compliance JV with Trulioo

StoneX Payments

Payments

Cross-border payments JV with NatWest

Kaizen

RegTech

Regulatory reporting JV with Berenberg

Flagright

Digital banking security

Crypto standards JV with Nodabank

April 2024

Qover

Credit cards

Credit card JV with Yonder

March 2024

Airwallex

Treasury management and x-border payments

Treasury management and x-border payments JV with McLaren Racing

Bybit

DLT

Cross-chain swap services JV with SWFT Blockchain

February 2024

Symphony

RegTech

Financial markets voice analytics JV with Google

Lunate

WealthTech

MENA wealth management technology JV (Alpheya) with BNY Mellon

PragmaGo

Embedded finance

Embedded finance JV with ePlatnosci

November 2023

Equity investments:

Chetwood Financial

Digital mortgages

£500 million equity investment in LendInvest

July 2023



Restructurings

Deal highlight:

White & Case advised pan-European digital current accounts and money transfers business Monese as well as its global platform-as-a-service business, XYB, on securing new funding and separation into two independent businesses.

Monese & XYB
Digital current accounts
and money transfers
Demerger

May 2024

**Bitpanda & Bitpanda
Pro / One Trading**
Crypto trading
Demerger

June 2023



Equity and debt scale up funding rounds

Deal highlights:

White & Case advised PayPal Ventures, as lead investor, on its participation in the €18 million Series A+ funding round in Pliant, the Berlin-based corporate card platform.

Market commentary:

UK fintech sector received US\$2 billion of investment in H1 2024, a 37% decrease from H2 2023 (*Innovate Finance–July 2024*).

Global fintech sector received US\$15.9 billion of investment in H1 2024, a 19% decrease from H2 2023 (*Innovate Finance–July 2024*).

US fintech sector received the most investment in H1 2024, bringing in US\$7.3 billion across 599 deals, with the UK in second place with US\$2 billion and 183 deals (*Innovate Finance–July 2024*).

H1 2024 witnessed a shift toward earlier-stage deals (Seed to Series B), with an average deal value of US\$10.2 million, reflecting a return to early-stage investments (*Innovate Finance–July 2024*).

Africa's fintech market has secured more than US\$2.7 billion in VC funding in the past two years, and the number of fintech startups has grown by 17.7%. Nigeria, Egypt, Kenya and South Africa dominate the market, accounting for 91.2% of funding (*Finextra–August 2023*).

There are currently 147 active fintechs in Saudi Arabia, a 79% increase from 2021 (*Finextra–September 2023*).

UK fintech funding dipped in H1 2023, as total cash raised reached US\$2.9 billion, a 37% slump compared to H2 2022 (*Finextra–July 2023*).

In H1 2023, a total of US\$27.3 billion was invested in fintech globally, a 14% decline from H2 2022 (*Finextra–July 2023*).

The European fintech industry bore the brunt of a global drop in fintech funding during H1 2023, declining by more than 50% over H2 2022 (*Finextra–July 2023*).

Successful fundraisings:

Supercede

InsurTech

Successful US\$15 million Series A funding round led by Alven Capital

Numerated

AI-powered modular commercial lending platform

Successful equity investment from Citi

Peak3

InsurTech

Successful US\$35 million Series A funding round led by EQT

Zilch

BNPL

Successful £100 million securitised debt financing arranged by Deutsche Bank

Zodia Custody

Digital asset custody

Successful equity investment from NAB Ventures

Wealthon

WealthTech

Successful US\$12.4 million debt financing from CVI Dom Maklerski

Hawk

RegTech

Successful Series B+ funding round led by Rabobank

Nium

Payments

Successful US\$50 million Series E funding round

Fintech – Publicly reported deals & situations

Equity and debt scale up funding rounds continued

Doconomy

ClimateTech

Successful €34 million Series B funding round led by CommerzVentures and UBS

June 2024

Bondaval

InsurTech

Successful £15 million funding round led by Dawn Capital

FintechOS

FI digitalisation

Successful US\$60 million Series B+ funding round led by Molten Ventures

ZTLment

Wallet infrastructure

Successful €2.4 million pre-Seed funding round

Deedster

ClimateTech

Successful £3.7 million funding round led by Wellstreet

Clover

ClimateTech

Successful US\$114 million Seed funding round led by Lowercarbon Capital

Colendi

Digital banking

Successful US\$65 million funding round led by Citi Ventures, Migros Ticaret, Sepil Ventures, Re-Pie Asset Management, Finberg and Hedef Holding

Vitesse

Payments

Successful US\$93 million Series C funding round led by KKR

Cover Genius

InsurTech

Successful US\$80 million Series E funding round led by Spark Capital

Fintech Farm

Digital banking

Successful US\$32 million Series B and B+ funding round led by Nordstar and Bank of Georgia

Monzo

Digital banking

Successful US\$190 million funding round led by Capital G, Hedosophia and GIC

Simplifai

InsurTech

Successful funding round led by Idékapital

Abound

Consumer credit

Successful £800 million debt and equity funding round led by Citigroup, GSR Ventures and Hambro Perks

United Fintech

Digital transformation platform

Successful equity investment from Danske Bank

SumUp

Payments

Successful €1.5 billion funding round led by Goldman Sachs

Lunar

Digital banking

Successful €24.1 million funding round

May 2024

CoCoNet

Cash management SaaS

Successful (undisclosed) equity investment from EMERAM

Ageras

SaaS

Successful €82 million funding round led by Investcorp

Twill Payments

Payments

Successful (undisclosed amount) pre-Seed funding round

Pliant

Card platform

Successful €18 million Series A+ funding round led by PayPal Ventures

Flatpay

Payments

Successful €45 million Series B funding round led by Dawn Capital

Finmid

Embedded finance

Successful €35 million funding round led by Blossom Capital, Earlybird VC and Max Tayenthal

Hokodo

Payments

Successful €100 million debt funding round, sourced from Viola Credit

Brim Financial

Credit-card-as-a-service

Successful US\$85 million Series C funding round led by EDC Investments

Midas

WealthTech

Successful US\$45 million Series A funding round led by Portage Ventures

FloQast

Accounting technology

Successful US\$100 million Series E funding round led by ICONIQ growth

Bunq

Neo-banking

Successful US\$31 million funding round from existing investors

Scayl

SME and consumer financing platform

Successful €100 million Series A funding round led by (undisclosed) investors

Integrum ESG

ESG WealthTech

Successful £100,000 investment from Industrial Thought

April 2024

Moove

Automobile finance

Successful US\$100 million Series B funding round led by Uber Technologies, Mubadala Investment, The Latest Ventures, Africinvest, Palm Drive Capital, Triatlum Advisors and Future Africa

TUUM

Core banking platform

Successful Series B+ funding round led by Citi Ventures

PPRO

Payments

Successful €80 million funding round led by Eurazeo, HPE Growth, Sprints, PayPal Ventures, J.P. Morgan, Citi Ventures and BlackRock

Perfios

B2B SaaS

Successful US\$80 million funding round led by Teachers' Venture Growth

Monzo

Digital banking

Successful US\$430 million funding round led by CapitalG, Hongshan Capital, Google Ventures, Tencent and Passion Capital

FundGuard

AI fund management

Successful US\$100 million Series F funding round led by Key1 Capital

HeavyFinance

ClimateTech

Successful €50 million funding round led by European Investment Fund and InvestEU

March 2024

Lizy

Automotive finance

Successful €11.5 million funding round led by Alychlo, D'Ieteren, and the Flemish Welfare Fund

Napier AI

RegTech

Successful £45 million funding round led by Crestline Investors

FINOM

SME finance

Successful €50 million Series B funding round led by General Catalyst and Northzone

Navro

Embedded payments

Successful US\$14 million Series B funding round led by Bain Capital, Unusual Ventures and Motive Partners

Ta-da

Crypto infrastructure

Successful (undisclosed quantum) funding round led by KuCoin Ventures

ALT21

FX hedging

Successful US\$21 million pre-series A funding round led by (undisclosed) investors

Pulsate

Mobile banking technology

Successful US\$7.7 million Series A funding round led by TruStage Ventures and Curql Collective

Pennylane

Accounting technology

Successful €40 million Series C funding round led by Sequoia Capital and DST Global

TUUM

Core banking platform

Successful €25 million Series B funding round led by CommerzVentures

MTN Fintech

Payments

Successful US\$200 million funding round led by Mastercard

Embat

Digital treasury

Successful US\$16 million funding round led by Creandum

Spektr

RegTech

Successful €5 million Seed funding round led by Northzone, Seedcamp and PreSeed Ventures

Fordefi

Crypto wallet

Successful US\$10 million Seed+ funding round led by Electric Capital

February 2024

Portal

Crypto wallet

Successful US\$34 million Seed funding round led by Coinbase Ventures, Arrington Capital, OKX Ventures and Gate.io

Mesh

Embedded finance

Successful funding round led by PayPal Ventures (payment made in form of PayPal's US\$-denominated stablecoin)

Kuda

Digital banking

Successful US\$20 million funding round from (undisclosed) investors

Finoa

Crypto custody

Successful US\$15 million funding round led by Maven 11 and Balderton

Kriya

B2B BNPL

Successful £50 million debt financing from Viola Credit

Sygnum Bank

Crypto banking

Successful US\$40 million financing round led by Azimut

CryptoSafe

Crypto cybersecurity

Successful US\$20 million funding round through crowdfunding

GetirFinans

Mobile banking

Successful US\$25 million funding round led by Crankstart Foundation

Billink

BNPL

Successful €29.5 million funding round led by Varengold Bank

10x Banking Technology

BaaS

Successful US\$50 million funding round led by JPMorgan Chase and BlackRock

Pliant

Cards-as-a-Service

Successful €33 million Series A+ funding round led by Molten Ventures, SBI Investment, Alstin Capital and Motive Ventures

Fintech – Publicly reported deals & situations

Equity and debt scale up funding rounds continued

Carmoola

Automotive finance

Successful £15.5 million funding round led by QED Investors, VentureFriends, InMotion Ventures (Jaguar Land Rover), AlleyCorp and u.ventures

Hyperexponential

InsurTech

Successful US\$73 million Series B funding round led by Battery Ventures

Unbox

WealthTech

Successful €12 million Series A funding round led by HSBC Asset Management

ZILO

WealthTech

Successful £25 million Series A funding round led by Fidelity International Strategic Ventures and Portage

MyInvestor

Neo-banking

Successful €45 million Series C funding round led by Nortia Capital

Bumper

Automotive finance

Successful €46 million Series B funding round led by Autotech Ventures and Shell Ventures

January 2024

Tabby

BNPL

Successful US\$700 million debt funding round led by J.P. Morgan

Tabby

BNPL

Successful US\$50 million Series D+ funding round led by Hassana Investment

Updraft

Consumer credit

Successful £22 million equity and debt funding round led by Quilam Capital

Tamara

BNPL

Successful US\$340 million Series C funding round led by Sanabil Investments and SNB Capital

Meniga

Personal finance management

Successful €15 million Series D funding round led by Groupe BPCE, Credito Agricola and Omega EHF

Nearpay

Payments

Successful US\$14 million Series A funding round led by Sanabil Investments

Aria

Invoice financing

Successful €15 million funding round led by 13books Capital

SumUp

Payments

Successful €285 million debt and equity funding round led by Sixth Street Growth and Bain Capital Tech Opportunities

GFO-X

Digital asset exchange

Successful US\$30 million Series B funding round led by M&G Investments

Scalable Capital

WealthTech

Successful €60 million Series E+ funding round led by Balderton Capital

Pontera

Trade technology

Successful US\$60 million funding round led by ICONIQ Growth

December 2023

QuantoPay

Payments

Successful €150 million funding round

Enfuze

Payments

Successful €8.5 million Series C+ funding round led by Vitruvian Partners, Visa and Maki.vc

Paysend

Payments

Successful US\$65 million funding round led by Mastercard, Hermes GPE, One Peak Partners and Infravia Growth Capital

TRIVER

SME / working capital finance

Successful £20 million funding round led by Avellinia Capital

Silverflow

Payments

Successful €15 million funding round led by Global Paytech Ventures

Defacto

SME lending

Successful €10 million Series A+ funding round led by Citi Ventures

Credix

Decentralised debt funding platform

Successful US\$60 million funding round led by Rockaway Blockchain Fund

Fnality

Payments

Successful £77.7 million Series B funding round led by Goldman Sachs and BNP Paribas

Imprint

Payments

Successful US\$75 million Series B funding round led by Ribbit Capital

Monument Bank

Neo-banking

Successful £40 million Series B funding round led by Dubai Investments

Qomodo

Payments

Successful €34.5 million Seed funding round led by Fasanara Capital

Tabby

BNPL

Successful US\$200 million Series D funding round led by Wellington Management

Atom Bank

Digital banking

Successful £100 million funding round led by Toscafund, BBVA and Infinity Investment Partners

November 2023

Zilch

BNPL

Successful equity funding round led by eBay Ventures

Railsr

Embedded finance

Successful £20 million funding round led by D Squared Capital and Moneta Venture Capital

multifi

SME lending

Successful £10 million debt funding round led by Fasanara Capital

Nova Credit

Data analytics

Successful US\$43 million Series C funding round led by Canapi Ventures

iwoca

SME lending

Successful £200 million debt funding round led by Barclays Bank and Varde Partners

Cash Plus

Payments

Successful €57 million funding round led by Mediterranean Capital Partners

Upvest

Digital investment platform

Successful €30 million funding round led by BlackRock, ABN AMRO Ventures, Bessemer Venture Partners, Notion Capital, Earlybird, 10x Capital and HV Capital

Untangled Finance

Decentralised finance

Successful US\$13.5 million funding round led by Fasanara Capital

Kennek

SaaS

Successful US\$12.5 million funding round led by HV Capital

Brite Payments

Payments

Successful US\$60 million funding round led by Dawn Capital

Stitch

Payments

Successful US\$25 million Series A+ funding round led by Ribbit Capital

October 2023

Perenna

Mortgage lending

Successful US\$52 million funding round led by Silverstripe Investment Management

Apron

SME invoice processing software

Successful US\$15 million Series A funding round led by Index Ventures

Fleximize

SME lending

Successful £136 million securitised funding round led by Goldman Sachs and Citibank

Curve

Payments

Successful £58 million Series C+ funding round led by Britannia, Outward Venture Capital, IDC Ventures, Cohen Circle and Cercano Management

Payflow

Payroll finance

Successful €20 million debt funding round led by BBVA Spark

Erguvan

ESG Tech

Successful Seed funding round led by Emirates NBD

HyperJar

Pre-paid debit card app for kids

Successful US\$24 million Series A funding round led by Susquehanna Private Equity

Fipto

DLT treasury management

Successful €15 million Seed funding round led by Serena Capital, Purple. and Motier Ventures

Swan

BaaS

Successful €37 million Series B funding round led by Lakestar

Form3

Payments / API connectivity

Successful funding round led by Visa

Zopa

Digital banking

Successful £75 million (internal) funding round led by Silverstripe

ThetaRay

RegTech

Successful US\$57 million funding round led by Portage Ventures

Komgo

Trade finance software

Successful funding round led by Citi Ventures and Emirates NBD

September 2023

Finiata

SME lending

Successful €20 million equity funding round led by Fasanara Capital

Zanifu

SME lending

Successful US\$11.2 million pre-Series A debt & equity funding round led by Beyond Capital Ventures and Variant Investments

Fineos

InsurTech

Successful €24 million funding round led by (unnamed) institutional investors

Fintech – Publicly reported deals & situations

Equity and debt scale up funding rounds continued

Tradeshift

Supply chain finance

Successful US\$35 million funding round led by HSBC

August 2023

Bunq

Neo-banking

Successful €44.5 million funding round led by Pollen Street Capital

Tractable

InsurTech

Successful US\$65 million Series E funding round led by SoftBank Vision Fund 2

Tandem

Neo-banking

Successful £20 million funding round led by Quilam Capital

LendInvest

Mortgage lending

Successful £500 million equity investment from Chetwood Financial

July 2023

Komgo

Trade finance software

Successful equity funding round led by Santander

Bitpanda

Crypto trading

Successful €30 million funding round led by Valar Ventures

June 2023



Splitting at the seams

Market commentary:

63% of tech startups fail – 75% of VC-backed fintechs fail (*PYMNTS–December 2023*).

Close to half of UK fintechs fear that they may not make it to the end of the year due to ongoing economic challenges (*findsTech–July 2023*).

Bink

Loyalty platform

Collapse / wind-down

Clink / OptioPay

Loyalty platform

Collapse / wind-down

Divido

BNPL

Collapse / wind-down

Laybuy

BNPL

Collapse / wind-down

June 2024

Dock Financial

BaaS

Collapse / wind-down

May 2024

Silverbird Global

Payments

Collapse / wind-down

March 2024

Twig

Payments

Collapse / wind-down

Kikapay

Open banking

Collapse / wind-down

February 2024

Cervest

ClimateTech

Collapse / wind-down

Paysme

Payments

Collapse / wind-down

January 2024

Zazuu

International remittance

Collapse / wind-down

Cardeo

Payments

Collapse / wind-down

November 2023

Fronted

Consumer PropFinance

Collapse / wind-down

Koyo Loans

Consumer finance

Collapse / wind-down

August 2023

ZestMoney

Consumer finance

Collapse / wind-down

December 2023



Crypto scepticism or support

Chase

UK

Ban of crypto-related transactions from mobile app

September 2023

Bank for International Settlements

US

Collaboration with seven central banks on exploration of tokenisation of cross-border payments

April 2024

Bank for International Settlements

US

Warning of metaverse placing new demands on payment services which may be better met by central bank digital currencies

February 2024

Basel Committee on Banking Supervision Pan-European

Proposals for banks to disclose exposure to crypto assets

October 2023



Top-down support for fintech

Governments:

Microsoft

AI

Acquisition of US\$1.5 billion interest in G42, with support of U.S. and UAE governments

April 2024

Folketrygdfondet

SaaS

Participation in €82 million funding round in Ageras

Flemish Welfare Fund

Automotive finance

Participation in €11.5 million funding round in Lizy

February 2024

European Investment Fund and InvestEU

ClimateTech

Participation in €50 million funding round in HeavyFinance

January 2024

Fintech Growth Fund

Fintech

Launch of new fund for Series C rounds and above, with ticket size of £10 million to £100 million

August 2023

Regulators:

UK Financial Conduct Authority

Investigations into competitive implications of BigTech in financial services

Bank of England and UK Financial Conduct Authority

Consultation paper for Digital Securities Sandbox

April 2024

Qatar Central Bank

Instructions for the Loan-Based Crowdfunding Regulation

October 2023

Politicians:

Tony Blair Institute for Global Change

Call on Labour Party to leverage fintech sector as catalyst for UK economic growth, opportunity and inclusivity

April 2024

UK Labour Party

Aim of delivery of next phase of open banking and embrace of securities tokenisation

February 2024

UK Treasury

Rejection by all-party parliamentary committee's proposals for consumer trading in unbacked crypto to be regulated as gambling

July 2023

Our dedicated UK & European financial services core team

219

Financial Services M&A Lawyers

across **21** offices in EMEA

In the last **18 months**,
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of financial services M&A transactions

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