





### Welcome to the 4th Edition of NovitasFTCL's European FinTech Private Equity Landscape

With the lifting of final restrictions in February of this year the UK became the first country in Europe to officially enter the post-Covid landscape. And although this situation differs throughout Europe, we felt this a suitable moment for publication of the fourth edition of our European FinTech Private Equity Landscape, tracking private and growth equity holdings within the European FinTech sector.

As a result of the longer than usual gap between editions, a more comprehensive methodology and a relentlessly busy FinTech market, this now bulging fourth edition adds a further 208 acquisitions or funding rounds which brings the total number of transactions to 383. In a clear demonstration of the depth and breadth of the European FinTech market, these deals involve 328 FinTech companies, from 22 countries, and 518 lead investments by 260 different investors.

The strategic importance of the FinTech sector no longer has to be demonstrated and, as the years pass, clearer winners (and losers) increasingly emerge in numerous verticals within the sector. Although imperfect, the ability of a company to convince investors to join increasingly large fund raising rounds is one indicator amongst others of such "winners".

This fourth edition paints the picture of what was an extremely busy period for European FinTech transactions, both fund raisings and M&A.

Over the last few months however, the changing macro-economic environment, changing central bank policies, high inflation levels, interest rates on the rise, and much lower public market valuations for high growth and/or technology companies, have created a new landscape which this (by definition past looking) fourth edition does not (yet) reflect.

There is no doubt that the pendulum is shifting towards (at least medium-term) profitability, and away from growth at all costs. Companies that are entering this downturn and potential recession well-funded – via some of the fund raises described in this edition – will do well. We also anticipate a further pick up of M&A, as private equity and large corporate buyers will have rich pickings on "updated" deal terms.

Overall, we expect European FinTech to remain a very fertile ground for both consolidation and investment dealmaking.

#### **Selected Findings**

- Our data includes 260 investors that have either acquired or lead investments into European FinTech companies. And while a number of names are well-known due to their repeat investments, the investor landscape is actually dominated by a large number of investors with just one or two investments: 169 of the 260, or 65%, have made just a single investment into European FinTech, and 43 investors, or 17%, have made two. This means that of the 518 total investments within our data, 255, or 49% have been made by investors with 1 or 2 investments. 48 investors, only 18% of the total, have made 3 or more investments.
- Within the dataset 48 companies, or 15%, were involved in multiple transactions. Of these, neobank N26 raised capital each year between 2018 and 2021 to record four transactions, the most within our data. This was followed by 6 companies each involved in three transactions, and then a further 41 companies with two transactions each. The median time between transactions for these 48 companies was 1.5 years, typical of regular fund raising rounds.
- Out of 383 transactions, 153, or 40%, involved a syndicate which was, on average (median)
  made up of four investors. The largest syndicate however, relating to a \$380m Series C in
  the Crypto and Digital Assets sector, involved a staggering 38 investors.
- We tracked 37 exit transactions since our third edition which, due to syndication, created 42 exits for 30 investors. Of these, the median time between investment and exit was 4 years, with 68% of exits occurring in 5 years or less, and just 16% in 3 years or less. The fastest turnaround was by Summit Partners who made a growth investment into Appway in June 2020, and then exited via a sale to FNZ just 19 months later in January 2022. The longest was Dunedin's acquisition of Hawksford, made in 2008, and then exited (while retaining a minority investment) to STAR Capital in 2021 for a hold period of approx. 12 years.
- Of 22 countries within our dataset the UK continues to be the most active by a considerable
  margin, accounting for almost half of all companies and transactions: 150 of 328 FinTech
  companies, 46%, and 184 of the 383 transactions, or 48%. This is followed by Germany with
  38 companies attracting 46 transactions, followed closely by France with 37 companies
  and 40 transactions.

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## 3 // INTRODUCTION



- We define FinTech in a manner which encompasses many technology verticals within the sector, as well as digital financial services and outsourced/managed services such as those found in the RegTech, InsurTech and funds-related sectors.
- Our focus remains on growth and buy-out investments, with venture funding excluded. However, we recognise the border between large venture and growth rounds is somewhat subjective and we have made judgements on a number of transactions.
- The research, which has historically focused on the FinTech ecosystems of Western Europe, now also includes Eastern Europe, and Israel in recognition of its vibrant tech start-up scene. The rest of the MENA region however, remains excluded.
- With the exception of data on syndicate sizes, which is calculated using the names of all available investors for a given transaction, all other analysis relates solely to lead investors, and omits 'follower' investors.
- Data is collected from PitchBook, alongside our own proprietary sources.
- The cut-off date for inclusion within this edition was the 31st March 2022.

NovitasFTCL is a London-based, independent corporate finance boutique advising clients within the European FinTech sector. We are highly active and repeat advisors in the industry, having successfully completed a large number of M&A and capital raising transactions over a prolonged period.

If your company or fund should have been included and we've missed you, please do get in touch and we'll make sure that you are included in our fifth edition.

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To find out more about NovitasFTCL, please visit our website at www.novitasftcl.com

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### 4 // RECENT NOVITASFTCL TRANSACTIONS

































# 5 // RECENT NOVITASFTCL TRANSACTIONS















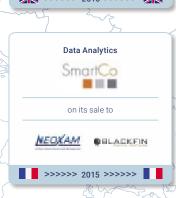






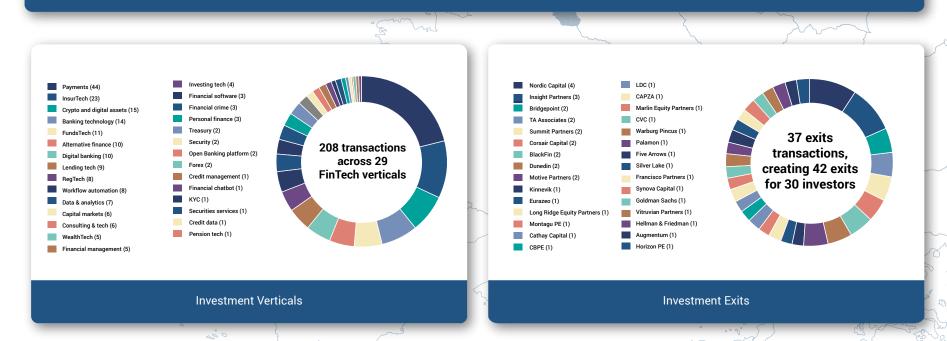












PORTFOLIO COMPANY

mollie

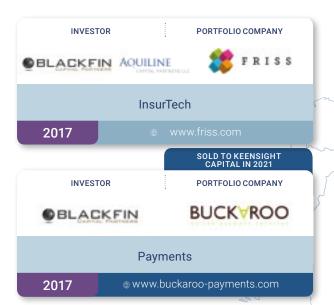
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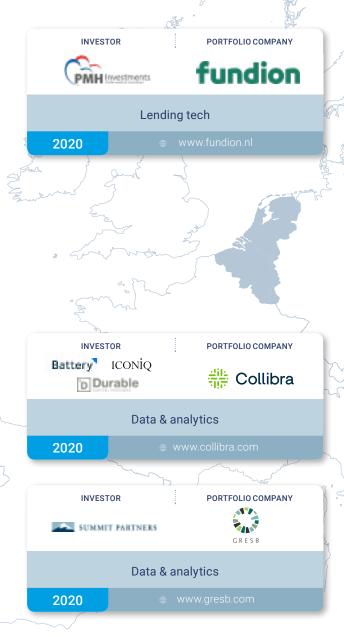
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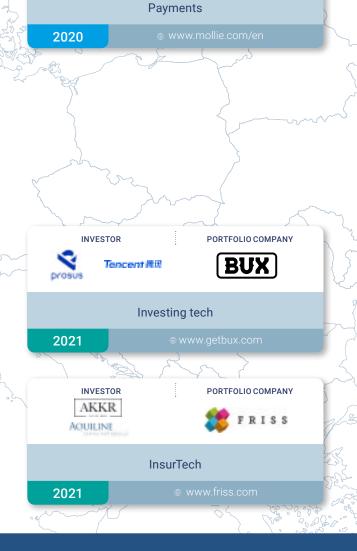












PORTFOLIO COMPANY

**BUCK∀ROO** 

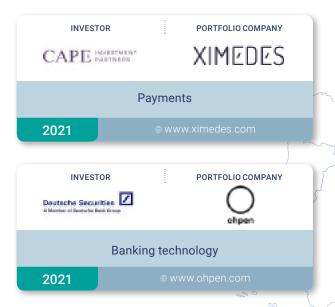
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KEENSIGHT













**SOLD TO RAISIN IN 2021** 

PORTFOLIO COMPANY

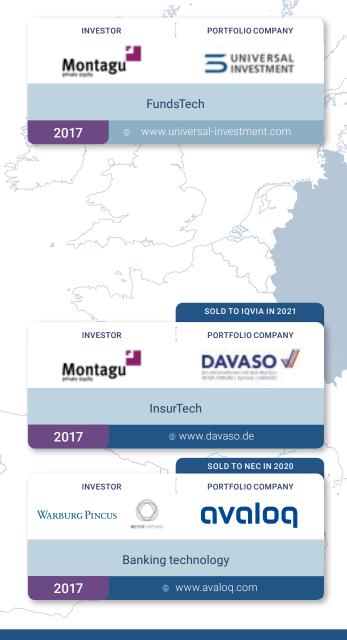
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AQUILINE

PORTFOLIO COMPANY









WealthTech





2020

NORDIC CAPITAL

PORTFOLIO COMPANY

REGNOLOGY



2020







Consulting & tech

Crypto and digital assets

PORTFOLIO COMPANY

**=** cashlink

INVESTOR

**DEWB** 

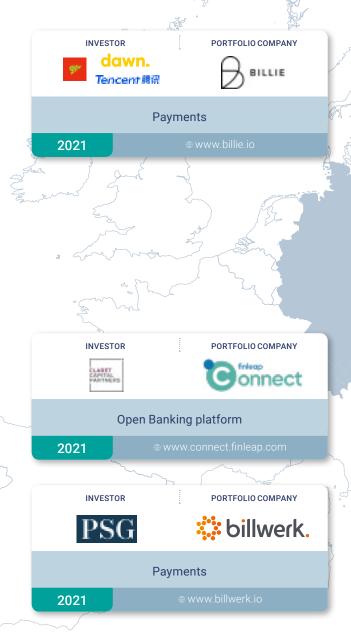














**Digital Banking** 

PORTFOLIO COMPANY

N26

COATUE

2021

INVESTOR

















































// FRANCE















Alternative finance





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DESCARTES

InsurTech

2022 

www.descartesunderwriting.com

Payments

Payments

www.getalma.eu

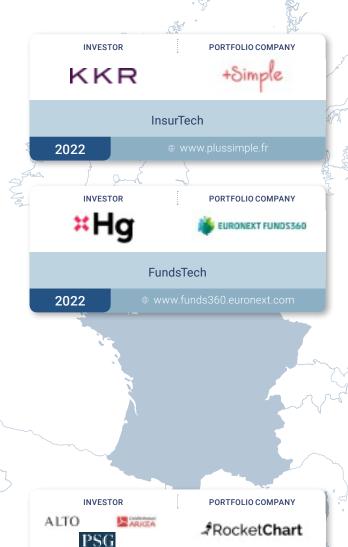
TIGERGLOBAL

SPENDESK

Financial management

2022

www.spendesk.com



Treasury

2022



// FRANCE

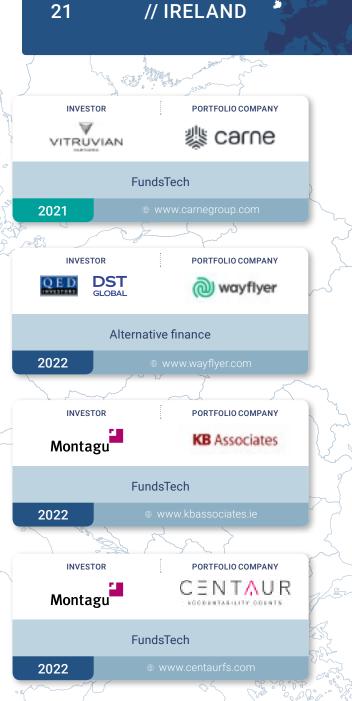














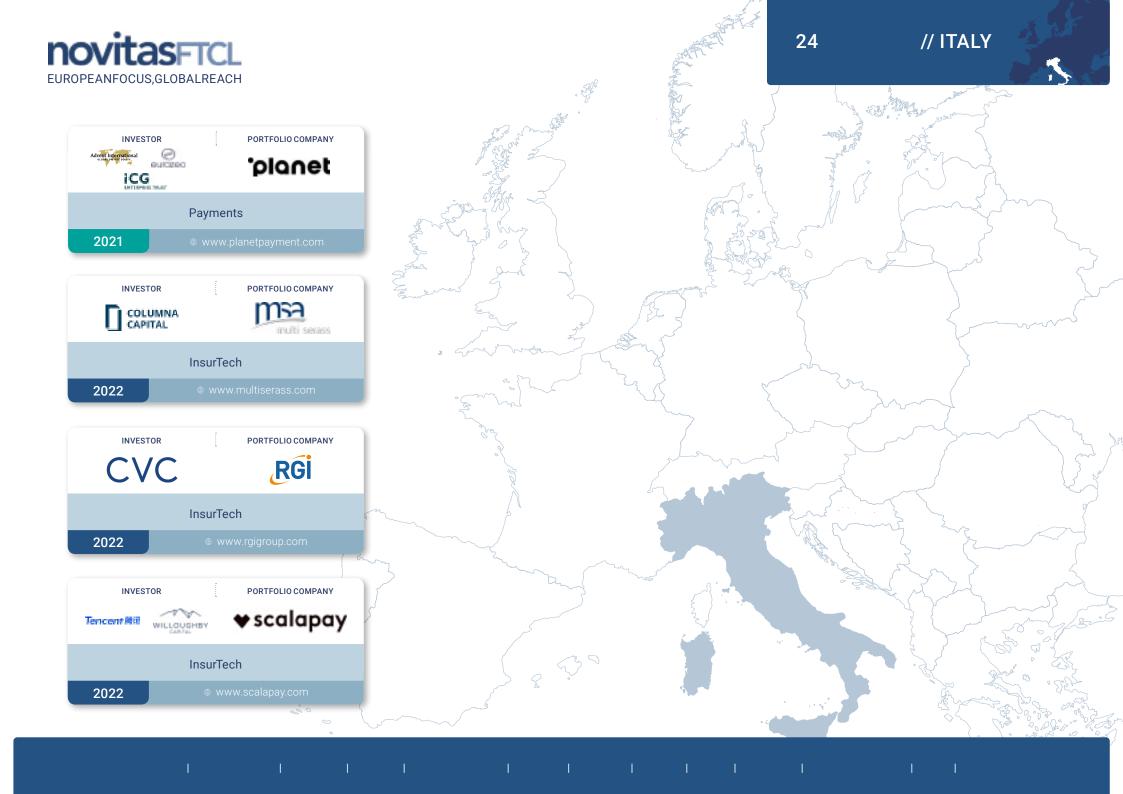




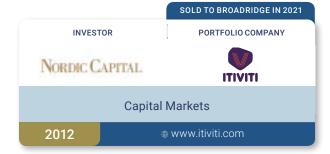


















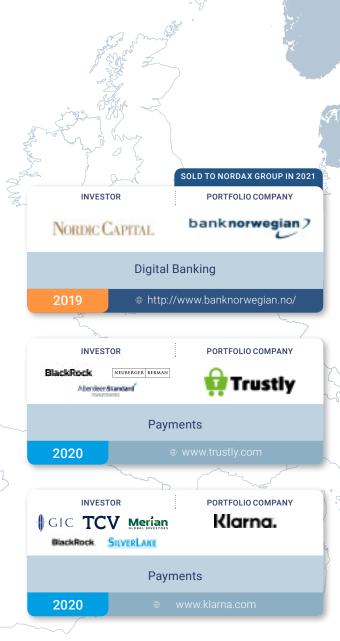














// NORDICS













// NORDICS













29 // SPAIN & PORTUGAL

Dunedin Hawksford

Securities services

PORTFOLIO COMPANY





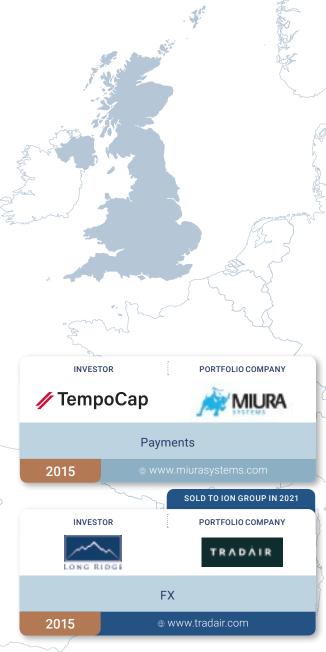


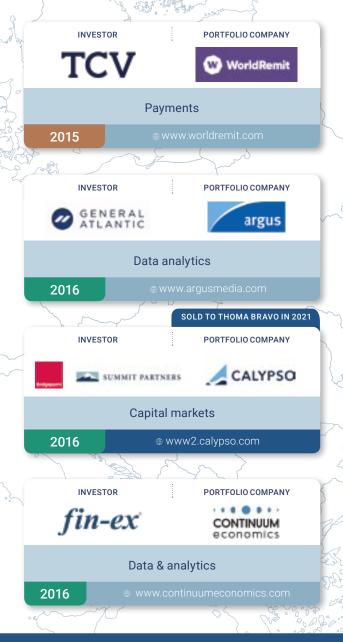


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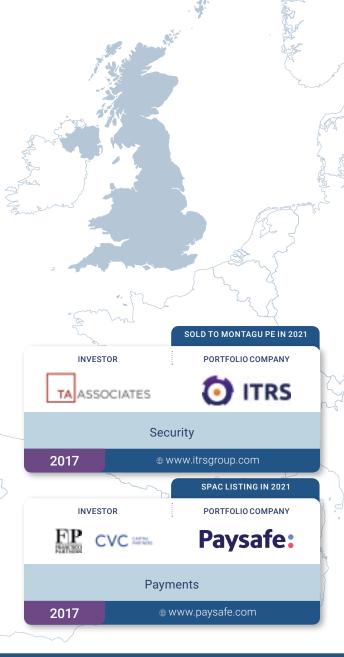














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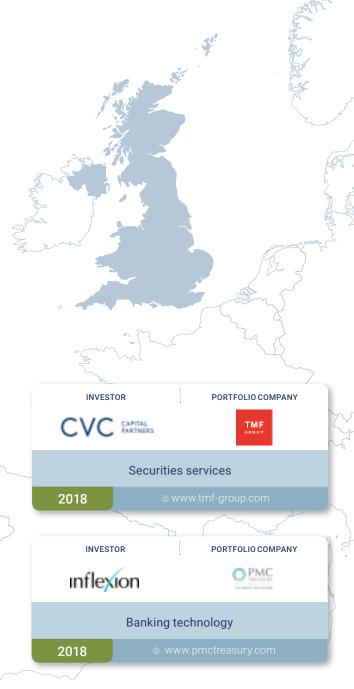


















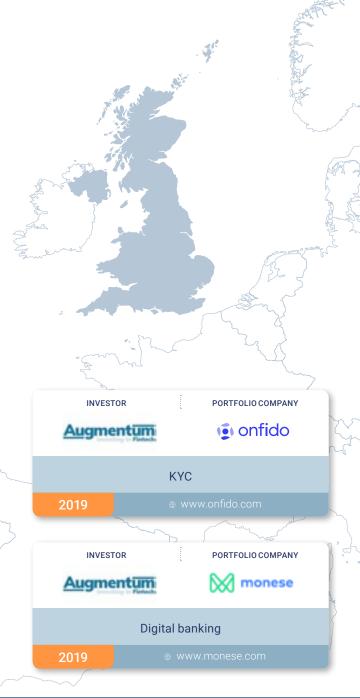




Digital banking

KINNEVIK

2018





// UK

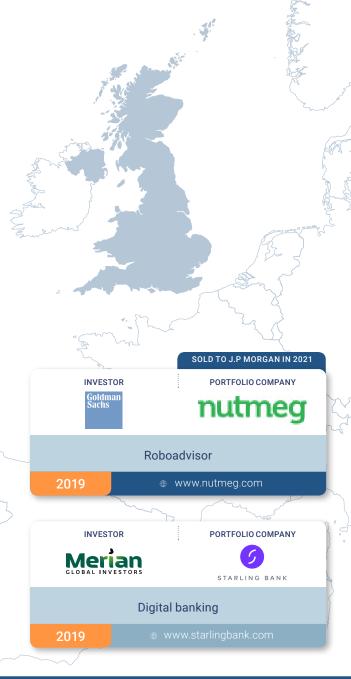












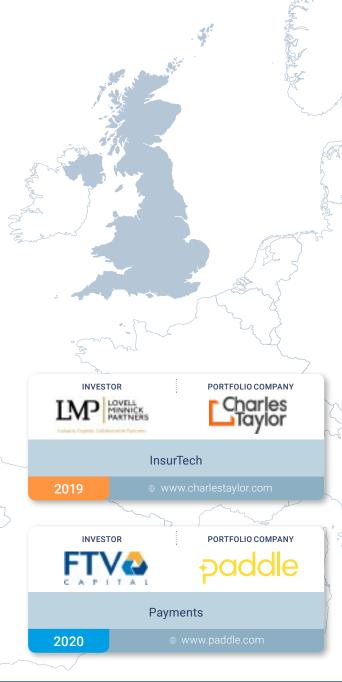






Lending tech

2019





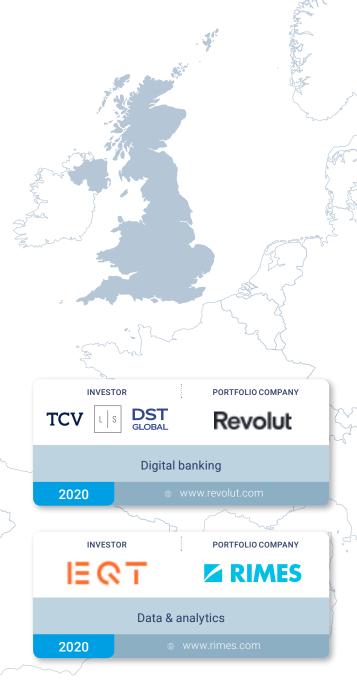
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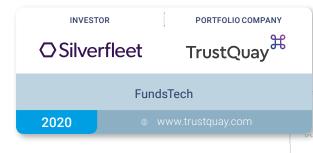








































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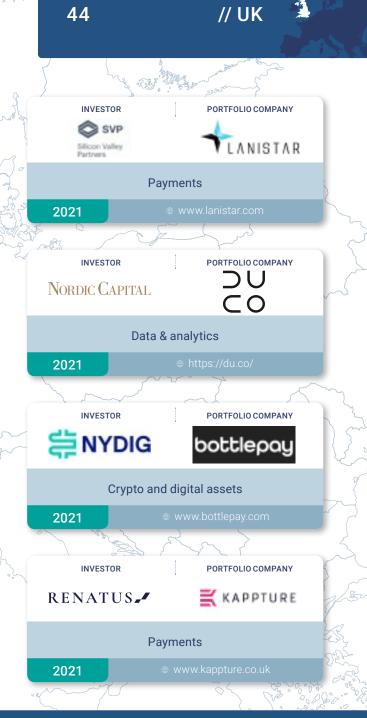
















novitasficl

**EUROPEANFOCUS, GLOBALREACH** 







INVESTOR PORTFOLIO COMPANY Bitso COATUE TIGERGLOBAL Crypto and digital assets 2021 INVESTOR PORTFOLIO COMPANY BBVA TOSCAFUND Atom bank Digital banking 2022 INVESTOR PORTFOLIO COMPANY Crypto and digital assets 2022 INVESTOR PORTFOLIO COMPANY Viking 🌋 GPS

**Payments** 















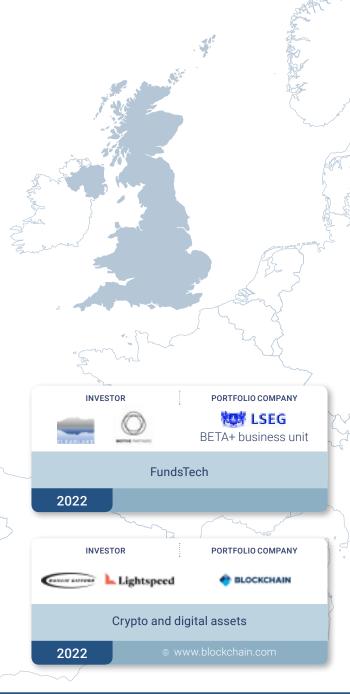
















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