

As the technicolour gloss of unicorns fade, investors attempt to back the right horses

**Financial Institutions M&A:
Sector trends H1 2020 | Outlook for H2 2020
Fintech**

Mystical creatures feel the very real pain of the COVID-19 pandemic:

Banks hold their nerve:

Banks maintain their digitalisation strategies, albeit they are now more focussed on technology directly value-accretive to their core business lines

Financial sponsors demand more bang for buck:

Equity valuation volatility wreaks havoc for funding rounds

Founders embrace partnerships to weather market storms:

Bonds with established banks and tech behemoths are strengthened

As the technicolour gloss of unicorns fade, investors attempt to back the right horses

H1 2020 heralds an entirely new era for fintech, a market segment which scarcely existed at the time of the global financial crisis. Many founders and investors, who have enjoyed a bull run since 2015, have had their first taste of the bear markets which banks endured in the years following 2008.

Hyder Jumabhoy
EMEA Corporate Group
FIG M&A
Partner, London



Guy Potel
EMEA Corporate Group
Public M&A/Fintech
Partner, London



“Exceptionally high utilisation of digital offerings does not necessarily signal a general boom for fintech. Only when government-backed relief measures cease and economic recovery gets underway in earnest will some fintechs realise that they lack the financial resources to re-start.

Hyder Jumabhoy

Overview

CURRENT MARKET

Decline, but green shoots of recovery

WE ARE SEEING

- Banks hold their nerve on digitalisation strategies in the COVID-19 environment:
 - Focus of direct investment firepower on RegTech, WealthTech, payments and automation
 - Widening of investment instruments to include convertibles and vanilla debt (e.g., Raiffeisen and BNPP's participation in LuxHub's €7.4 million debt funding round)
 - Bank venture funds narrow focus on technology directly value-accretive to core business lines (e.g., ABN AMRO Ventures' equity investments in Privitar, Penta and Energo)
 - Favouring of partnership models (>15 alliances between established banks and fintechs in H1 2020) and home-grown offerings (e.g., Nationwide's Arti, KBC's everyoneINVESTED, etc.) as tech spend belts are tightened
- Early signs of rationalisation of fintech portfolios by established banks (e.g., Rabobank's and ING's spin-outs of Sure Pay and Katana, respectively)
- Financial sponsors remain confident:
 - Preference for niche finance, payments, digital trading and RegTech—though VCs now expect more bang-for-buck and downside protection
 - Successful dedicated fintech fund-raising notwithstanding COVID-19 gloom (e.g., Index Ventures, Oxx Capital, Canapi Ventures, Blossom Capital and KKR have all raised funds in H1 2020)
- Governments come to the aid of fintechs as market purse strings tighten (e.g., UK's Future Fund, UK CBILS, etc)
- Insatiable appetite of founders / entrepreneurs for progress and disruption:
 - Stockpiling of growth capital (>90 equity fundraisings in H1 2020)
 - Rapid inorganic expansion by fintechs with critical mass (e.g., Fiserv's acquisitions of MerchantPro Express and Bypass Mobile)
 - Bonding with global tech behemoths (e.g., Phos's and SumUp's JVs with Mastercard) as well as established banks (e.g., Nok Nok's JV with BBVA)

KEY DRIVERS

- The COVID-19 pandemic has resulted in an axial tilt on digitalisation for many European banks:
 - Focus on RegTech—increases in contactless payment limits, growing borrower opacity and an avalanche of spurious loan applications have materially increased AML, ABC, fraud and financial crime risks faced by lenders
 - Focus on digital product distribution channels—providing the rich, smooth, personalised customer experience has enabled many established banks to retain market share as branches remain shut
 - Focus on cost-cutting—banks which invested early in automation of back-office functions reaped rewards as staff were forced to work remotely
 - Partnerships facilitate “fast fail” innovation culture, rapid compatibility assessment and easier fintech integration
- Financial sponsors (Angel investors, venture capital, private capital and private equity) may take more convincing to deploy investment resources:
 - Equity valuation volatility especially for neobanks and specialty finance lenders when the impact of loan defaults, customer forbearance requests, government-backed payment holiday schemes and central bank / customer conservatism favouring established institutions are difficult to assess with certainty
 - Growing concern that founder optimism / desperation is detracting from attentive adherence to investor expectations to use financial resources for only core business operations (not advertising), closely monitor / report on KPIs and focus on key business metrics
 - Existing investors potentially less motivated to follow-their-money without additional downside protection (e.g., warranty enhanced ratchets, increased information rights, enhanced management representation rights, liquidation preference, step-in rights, etc.)
 - Holding out for the promise of “cheaper” stressed / distressed opportunities

Our M&A forecast

- Branch closures and lockdowns create opportunities for alternative lenders—material increase in customer demand for:
 - Debt, by both corporates and retail borrowers (a55, Judo Bank, N26, Tandem and B-Social all successfully raised funding amidst COVID-19 market uncertainty)
 - Specialist lenders targeting under-served market segments (e.g., entrepreneurs, freelancers, gig economy, students, etc.)
- Fintechs with critical mass attempt to conquer their niches (e.g., Greensill's acquisition of Earnd and Raisin's acquisition of Choice Financial Solutions)

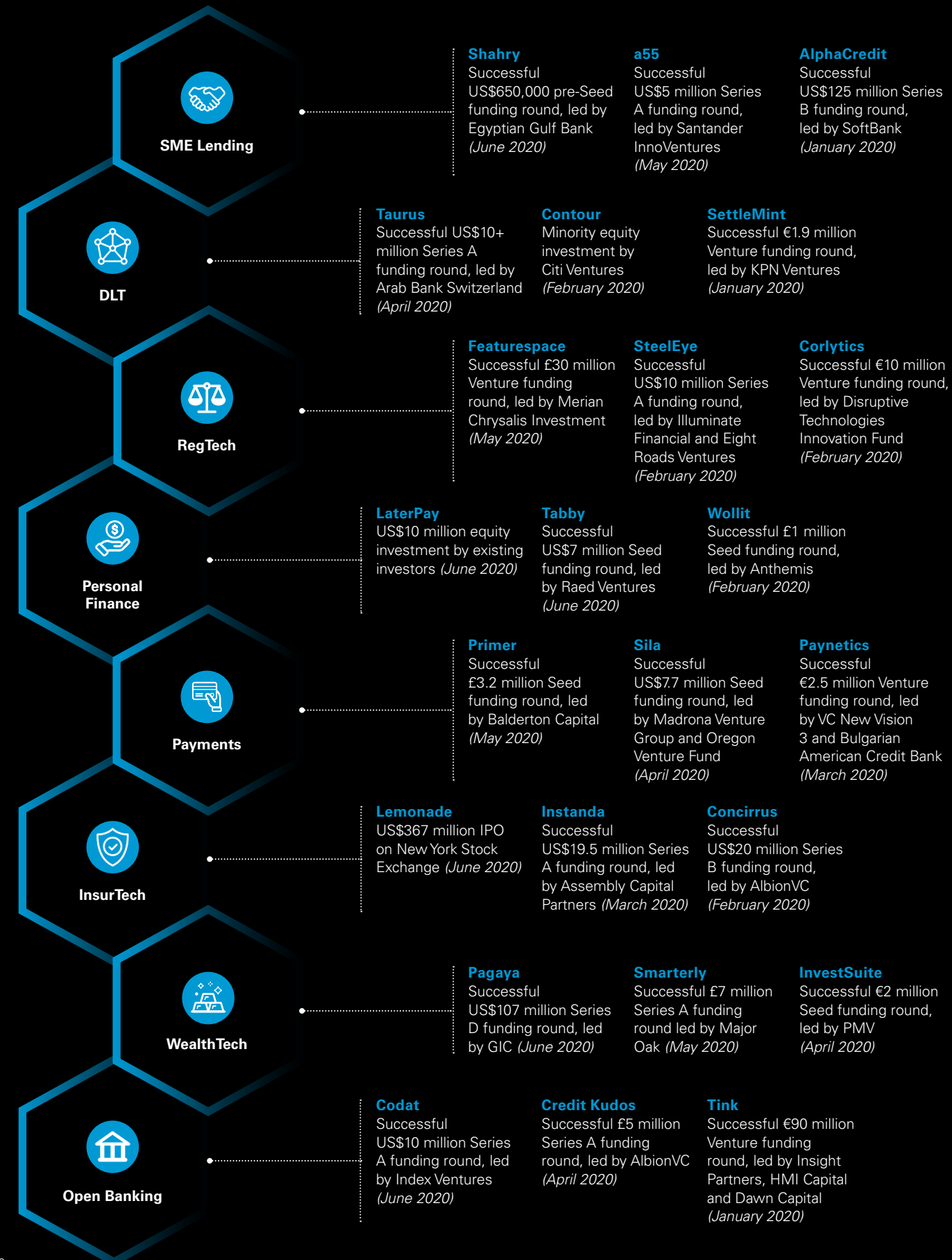
TRENDS TO WATCH

- Banks de-risking digitalisation strategies through rationalising fintech portfolios and refining investment criteria
- COVID-19 accelerates inflexion point for fintechs—those that survive the next 12 to 18 months will thrive in a less crowded financial services market, reframed by a societal paradigm shift
- Separation of the mighty from the weak:
 - Emergence of new fintech unicorns, fire-hardened through the COVID-19 crisis
 - Withdrawals from overly eager expansion strategies (e.g., Funding Circle's exit from Germany, N26's exit from the UK, etc.)
 - Demise of fintechs with weaker business models (e.g., Loot, Lendy, Nodal Labs, etc.)
- Growing focus of governments, regulators and local trade associations on the negative side effects of fintech dependency (e.g., financial exclusion, slump in cash usage, systemic risk posed by larger fintechs, etc.)



Tempered increase in M&A activity levels, as institutional investors recalibrate priorities, financial investors re-examine risk appetite and founders re-examine business plans. There is no doubt that technology will play a permanent and vital role in the future of financial services, but investors will adopt an increasingly cautious selection criteria for backing the right horses as the technicolour gloss of unicorns fade.

Successful H1 2020 fintech fundraisings



COVID-19 Fintech Survival Guide

Although the exact scale of devastation caused by the COVID-19 pandemic remains to be seen, it is clear that the financial and HR resources once available for wide-ranging innovation investments are unlikely to continue. As the fintech ecosystem pivots into its next evolutionary phase, banks are tightening belts on digitalisation strategies and financial sponsors are adopting a more cautious approach to investing. Having advised a number of founders, fintechs, banks and VC / PE investors since the onset of COVID-19 lockdowns, we are pleased to present our 2-part survival guide to navigating the challenges of the current market:

Fintech Rationalisation Guide

For banks undertaking rationalisation exercises involving their fintech portfolios.

Fintech Fundraising Guide

For founders seeking to raise growth capital.

Fintech Rationalisation Guide

The path into innovation investments is well trodden, but exits are proving challenging and complex for many banks across Europe. Here are **6 key considerations for a successful exit from / sell-down of fintech investments**:

1. Initial Planning Considerations

- Does the fintech operate within a subsidiary company or as a standalone business unit or as part of a larger business unit?

Note: if the business is not contained within a subsidiary company, a hive-down / carve-out / business transfer may be required prior to or in conjunction with the divestment.

- Are all assets comprising the fintech business readily identifiable? Who are the legal owners?

Note: especially if the business is not contained within a subsidiary company, legal ownership of assets required to operate the business in the ordinary course may be dispersed across a number of legal entities within the bank's group.

- Does the fintech have the correct regulatory permissions to operate on a standalone basis?

- How will the fintech be valued? *i.e.*, will robust management / carve-out accounts be available?

- Will the fintech's management team support the divestment?

Note: management may expect financial incentives in return for their support (e.g., transaction bonuses, equity participation, etc.).

- What is the most tax-efficient divestment structure?

- Other legal considerations *e.g.*, impact of government-backed COVID-19 relief measures, TUPE, etc.

2. Divestment Process

- How should the divestment mechanics be structured?
 - management buyout (financed through third-party / bank-funded debt)

- combination of management buy-out and third-party investment
- third-party buyer (identified via an auction or bilateral process)

Note: depending on the expected price, a MBO / bilateral process may be most appropriate.

- What is the proposed divestment timeline?

- Does the divestment necessitate the appointment of an external financial adviser?

Note: an experienced, specialist financial adviser may be instrumental in securing solutions to bridge any gap in valuation expectations.

- What internal bank corporate approvals are required to consummate the divestment? How will approval processes impact the divestment timeline?

Note: the bank may require multiple sets of internal approvals, which may prove more challenging / time-consuming to obtain with staff at all levels working remotely.

- How does the bank propose to facilitate due diligence on the fintech? How will preparation of due diligence materials impact the divestment timeline? *e.g.*, investment memorandum, management presentation / Q&A, data room, etc.

3. Deal Valuation Challenges

- Valuation challenges in the COVID-19 climate are dampening deal activity, but there are safe paths through the fog:

- form of consideration

Note: buyers / investors may prefer a mixture of cash and stock or stock only, and on that basis be able to offer a higher price.

- deferred consideration

Note: buyers / investors may prefer to stagger payment of the price over time, and thereby offer a higher overall price.

- contingent consideration (e.g., earn-out, anti-embarrassment, etc.)

Note: buyers / investors may require the bank to share some of the performance risk of the fintech over a specified period of time. Equally, the bank may opt to retain "skin in the game".

- Contingent consideration mechanics must be carefully crafted:

- what is the earn-out period?
- what protection against "artificial" manipulation should be put in place?
- would security for payment be needed? *e.g.*, escrow, guarantees, etc.

Jonathan Rogers
EMEA Corporate Group
Financial Regulatory Advisory
Partner, London



“Over the last 3 months, we have advised a number of fintechs on adapting their business models to survive the COVID-19 pandemic. Our experience is that the UK regulators are genuinely empathetic to the onslaught of challenges faced by regulated firms, but are nonetheless expecting strictly compliance with Principle 11 obligations, particular in relation to financial stress

4. Due Diligence

- Buyers / investors, even those which have successfully stockpiled investment capital, are adopting a more cautious approach to investments

Note: valuation complexities, widening spectrum of stressed / distressed opportunities and investor conservatism are amongst the factors increasing pressure on buyers / investors to ensure they are selecting the "right" investment opportunities.

- Our recent experience is that buyer / investor appetite for targeted due diligence is growing. Key focus areas for fintech businesses include:

- corporate and ownership structure
- inter-dependencies between the fintech and the bank
- financial regulatory permissions and historic relationships with regulators
- robustness of KYC, AML, ABC and financial crime procedures and implementation
- robustness of data protection policies and implementation
- ownership of registered / unregistered IP, use of third-party IP, use of open-source software and protection of source code
- ownership arrangements with employees / contractors involved in development of IP
- material contracts, including with suppliers and customers
- "key man" employment terms, pro forma employee terms and existing incentive arrangements
- actual / threatened litigation, disputes and investigations

5. Employment Matters

- For many buyers / investors, a key deal consideration will be retaining talented management who will be able to deliver their business plan.

- Retention of top talent is often about incentive arrangements. Key considerations are:
 - who are the "key individuals" without which buyers / investors will not proceed?

Note: identifying the relevant individuals early and understanding their remuneration packages (through legal due diligence) will be key to implementing an effective retention strategy.

- what retention packages would buyers / investors be willing to offer to key staff? *e.g.*, "skin in the game" through a new management incentive programme.

- If the divestment involves a business transfer, The Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE)* is likely to apply. As a general outline:

- the employment contracts of all employees assigned to the fintech business being transferred will automatically transfer to the buyer / investment vehicle on consummation of the divestment
- all existing employment terms will continue to apply (except certain rights under occupational pension schemes), unless specifically varied
- the TUPE transfer process is prescriptive and there are a number of steps that both the bank and the buyer / investor must complete

Note: in particular, the bank and the buyer / investor must inform and (if appropriate) consult with elected employee representatives or recognised trade unions in relation to any of employees who may be impacted as well as any proposed measures to be taken in (e.g., intended changes to pensions or other employee benefits). In the current COVID-19 environment, such processes may be very sensitive and need to be handled with care.

- timing and cost of preparing for and completing the TUPE procedural requirements must be factored into the overall timeline and transaction budget

- if the buyer / investor is contemplating variations to existing employment terms or possible redundancies (which are prima facie void save in limited circumstances), there are additional steps which need careful consideration to minimise employee claim risk

Note: the interaction of such plans with the UK Coronavirus Job Retention Scheme and other EU equivalents would need to be navigated.

*TUPE is applicable in the UK. Equivalent legislation may apply in other European countries.

Emmie Jones
EMEA Private Equity Group
Partner, London



“The COVID-19 pandemic has materially altered the fund raising landscape for fintechs across Europe. Most investors now expect a significant discount to previous valuations and in some cases also downside protection through alterations to the waterfall. This is not investor opportunism but reflects very real valuation volatility and the risks involved with deploying capital in the current market climate

6. Regulatory Matters

- Depending on the licences held by the fintech, change-in-control notification / approval requirements may be triggered

Note: the divestment process would need to flex to accommodate such notifications / approvals. Buyers / investors may also seek to risk-share with the bank in the form of "gap controls", bring-down of warranties, MAC walk-away rights, purchase price adjustments, etc.

- If the fintech does not have all the regulatory permissions it needs, fresh license applications will need to be submitted

- In our experience, deal timetables are often extended due to interaction with financial regulators. Key contributing factors include:

- buyers taking longer to complete their due diligence, since regulatory diligence is now as much about the future as it is about the past
- regulators' increased scrutiny of business plans and the effect the proposed divestment would have on the fintech's customers
- the transaction being used by regulators to require changes to the fintech's post-closing governance arrangements *e.g.*, appointment of additional independent directors.

Fintech Fundraising Guide

As availability of funding for smaller businesses across Europe becomes increasingly challenging in the COVID-19 environment, raising growth capital is a mounting concern for many fintechs. Now more than ever, funding rounds need to be carefully structured, managed and executed to lock-in investor appetite quickly and efficiently. Here are **6 key considerations for successfully implementing a funding round in the current climate:**

1. Initial Planning Considerations

- What are the fintech's current funding requirements? *i.e.*, how long will the fintech's existing resources last, by when (at the latest) would the new funding need to be in place, etc.
- Why is the funding important for the fintech? How will the growth trajectory / equity story be communicated to potential investors? How will the fintech be valued?
Note: valuations are proving particularly challenging in the current COVID-19 climate, especially as the possibility of a "V-shaped" recovery seems unlikely.
- What contingency plans does the fintech have? *i.e.*, what impact would not receiving the funding in time have on the fintech's business? Is a bank loan a viable alternative to a funding round?
- What funding options are available in the COVID-19 environment? Options include:
 - Venture capital / private equity
Note: financial sponsor investment is still a very viable option for fintechs with strong equity stories / business plans and "realistic" valuations. Furthermore, a number of notable financial sponsors have successfully completed fundraisings of their own in the COVID-19 environment.
 - Institutional investors / bank venture funds
Note: our recent experience is that appetite of banks for RegTech, fintechs delivering distribution channels and fintechs delivering efficiency / cost reduction solutions has increased since the onset of COVID-19.
- Institutional entrepreneur support schemes *e.g.*, NetWest's "Rose Review" female entrepreneurs support, etc.
- Government-backed start-up co-investment schemes *e.g.*, the UK's Future Fund, etc.
- Government-backed start-up debt funding *e.g.*, the UK's Start-Up Loan Programme, France's Bpifrance Programme d'Investissements d'Avenir, Germany's ERP-Gründerkredit & ERP-Gründerkredit Startgeld, the Netherlands' Proof-of-concept Funding, Corona-Overbruggingslening and Innovation Credit Schemes, etc.
- Government-backed SME loan schemes *e.g.*, France's €300 billion loan guarantee scheme, the UK's COVID-19 Business Interruption Loan Scheme, Germany's KfW-Unternehmerkredit, etc.
- Local innovation organisations *e.g.*, Nesta, etc.
- Do not forget about tax—does the fintech qualify under the Seed Enterprise Investment Scheme or the Enterprise Investment Scheme? Does eligibility impact the proposed investment structure?

2. Initial Implementation Considerations

- Prepare for the unexpected. Our recent experience is that:
 - Investors are seeking to cherry-pick the best of equity and debt investment characteristics *e.g.*, preferential dividend rights, redemption rights, liquidation preference, etc.
 - Investors are testing appetite for "unusual" down-side protection *e.g.*, conversion of debt into equity at a pre-agreed price if a particular valuation is not achieved by a deadline.
 - Investors are not shy about requesting more information and control rights *e.g.*, access to financial information, enhanced board representation, step-in rights in event of financial stress, etc.
Note: our experience is that this trend is not driven by investor opportunism but simply by a growing concern in the investor community that founders are not listening as attentively to investors' expectations for the fintech to use financial resources for only core business operations (not advertising), closely monitor / report on KPIs and focus on key business metrics.
- Is the funding round early- or late-stage?
Note: evolutionary stage will determine key structuring factors including founder / management team familiarity with process, existence of established funding round protocol, approach to investor due diligence and investor expectations.
- How will the fintech be valued? Will existing investors be willing to support a down round?
- Are existing investors willing to follow their money (on a pro rata basis)?
Note: the appetite of existing investors is an increasingly important consideration in the current COVID-19 environment.
- Will any new third-party investors lead / participate in the round? Are there any restrictions to third-party investor participation? *e.g.*, statutory / contractual pre-emption or similar rights on issues of new equity.
- How will investors participate? *e.g.*, ordinary / preferred equity, debt, equity / debt combination, convertible debt instrument, etc.
- Is the funding round primary or secondary or a combination?
Note: if the fintech is in need of growth funding, a secondary may be challenging to explain to investors in the current COVID-19 environment.
- Is there an employee option scheme in place? Does the funding round impact vesting triggers under / operation of the scheme?
- Should an external financial adviser be appointed? Have experienced legal advisers been appointed? Has a budget been allocated to pay them?
Note: the value that experienced, specialist financial advisers and lawyers can bring in the current COVID-19 environment is proving "mission critical", especially in the context of out-of-network deals.

3. Constructing the Right Execution Timetable

- Start with a robust fund-raising timeline and religiously stick to it—has the timeline been prepared? Are the milestones clear and realistic? Has the timeline been communicated to all relevant stakeholders and advisers?
Note: timelines from previous funding rounds may not be a realistic yardstick in the current COVID-19 environment. Our recent experience is that some investors need a longer lead time to conclusively reach investment decisions while working remotely. Financial adviser input is important to minimise the risk of needing to subsequently lower funding expectations or communicate changes to stakeholders.
- The key drivers for timing include:
 - Due diligence and process documentation preparation
 - Marketing / investor selection
 - Fresh financial information preparation (and, if relevant, audit)
 - Negotiation / finalisation of investment term sheet
 - Negotiation / finalisation of full form investment documentation
 - Applying for and obtaining relevant financial regulatory approvals

- Closing logistics and receipt of investment funds
- Will new investment documents be required or will existing documents be refreshed? *e.g.*, corporate approvals, shareholders' / investment agreement, disclosure letter, articles of association, service agreements / director appointment letters, companies registry filings, etc.
- Will any historic documentation need to be terminated / re-negotiated? *e.g.*, founder pledges, founder service agreements, etc.

4. Laying the Groundwork

- Has an investor presentation been prepared? Is a formal process letter required?
Note: formal process documentation is prudent in the current COVID-19 environment. A robust and well-organised process will bolster investor confidence. Recycling documentation from previous funding rounds may provide counter-productive—investors expect a tailored approach which is reflective of current market conditions.
- Is the investment term sheet ready? Is it "fit for purpose"? *i.e.*, is the term sheet detailed enough, but not too detailed. If too detailed, negotiation may impede expeditious closing of the funding round.
- Does the lead investor have a standard set of rights they expect? Are other investors supportive? How do these terms compare with "current market practice" and "standard market practice"?
Note: "standard market practice" may differ materially depending on the particular funding round. Investors are also testing their leverage to deviate from "standard market practice" and secure additional investment protections (see above). Note that terms of one round (even in the current unique market circumstances) may impact those for future rounds.
- Has the proposed fund-raising been socialised with relevant stakeholders?
Note: sensitive founder / shareholder personalities need to be carefully managed in the current COVID-19 climate and should not be allowed to unduly interfere with efficient execution of the funding round.

5. Dealing with Practicalities Early

- What board / investor director / shareholder approvals are required for the equity / debt issue? Are there any hurdles to secure these? *e.g.*, under corporate law or the terms of any existing shareholders' agreement.
 - For:
 - Primary equity-raising, do new shares need to be offered pro rata to existing shareholders? Are any pre-emption waivers needed?
 - Secondary equity-raising, are any tag rights triggered? Are any tag waivers required? Who pays stamp duty?
Note: broadly, transfer of English company shares for more than £1,000 attracts stamp duty at the rate of 0.5% of the value of the chargeable consideration, rounded up to the nearest £5. HMRC's website provides guidance on online payment of stamp duty: <https://www.gov.uk/guidance/pay-stamp-duty#how-to-pay>.
 - Is the fintech engaged with any wider projects which may interact with the fund-raising? Are all relevant stakeholders / advisers up-to-date on progress? *e.g.*, re-branding, sensitive negotiation of material customer / supplier contracts, etc.
 - Get your house in order to facilitate due diligence—is management familiar with expectations for a due diligence / disclosure process? Is due diligence information ready for review? Will a virtual data room be available?
Note: in the COVID-19 environment, valuation complexities, widening spectrum of stressed / distressed opportunities and investor conservatism are amongst the factors increasing focus on due diligence. Information should be collated in line with a market-standard investor due diligence request list. The preparation process should be well advanced by the time marketing of the funding round is underway. Pre- and post-cap tables are often overlooked.
- Closing logistics and receipt of investment funds
 - Will new investment documents be required or will existing documents be refreshed? *e.g.*, corporate approvals, shareholders' / investment agreement, disclosure letter, articles of association, service agreements / director appointment letters, companies registry filings, etc.
 - Will any historic documentation need to be terminated / re-negotiated? *e.g.*, founder pledges, founder service agreements, etc.
- ## 6. Regulatory Considerations
- Does the fintech conduct any regulated activities? Does the prospective investor's participation trigger any change-in-control consent requirements? If so, which jurisdictions / regulators would be involved?
Note: the regulatory landscape is in flux—being aware of regulator capacity constraints and how such changes may impact a funding round is important (*e.g.*, managing investor expectations on implementation timing).
 - Do not overlook the value of a well-considered regulatory approval application and implementation strategy—informal pre-signing discussions with relevant regulators are crucial to ensuring that potential regulatory roadblocks and timing delays can be identified early and managed effectively.
Note: regulatory notifications by the fintech itself (*e.g.*, Principle 11, Senior Manager applications, etc.) are sometimes overlooked.
 - Can the funding round be structured to avoid undue delay in investment?
Note: if a "bright line" test is applicable for relevant change-in-control consents, it may be possible to structure the investment such that a potential investor invests up to the maximum threshold upfront (without triggering relevant consent requirements), with the remaining amount to follow after relevant approvals are duly obtained. Any such structures should be tested with relevant regulators in advance.
 - What impact would the proposed investment instrument have on the fintech group's regulatory capital position (if relevant)?
Note: this may dictate whether the use of certain investment instruments (*e.g.*, shareholder loans) are viable.
 - What changes to the fintech's governance would result following closing of the funding round? *e.g.*, investor directors, non-executive chairperson, additional NEDs, board advisor / observer, etc.

Fintech—Publicly reported deals & situations

Banks hold their nerve	Fintech The global fintech industry is at an inflection point, with revenues set to grow from US\$150 billion in 2018 to US\$500 billion by 2030 <i>(Finextra – May 2020)</i>		
	Global value of fintech deals in 2019 was US\$53.3 billion, down 3.7% from US\$55.3 billion in 2018 <i>(Finextra – February 2020)</i>		
Banks hold their nerve	UK is the top destination for European fintech investment in 2019, reaching a new record of US\$4.9 billion <i>(City A.M. – January 2020)</i>		
	Direct investments:		
Banks hold their nerve	Barclays, Goldman Sachs and J.P. Morgan <i>(Transaction automation)</i> Participation in US\$27 million funding round for H4 <i>(June 2020)</i>	Santander <i>(Trade finance)</i> Acquisition of 50.1% of Mercury TFS <i>(March 2020)</i>	Alior Bank, BNP Paribas and PKO Bank Polski <i>(Digital signature)</i> Participation in £3.4 million Seed funding round for Auteni <i>(January 2020)</i>
	UBS <i>(Voice trading technology)</i> Participation in US\$17.5 million Series B funding round for Cloud9 <i>(June 2020)</i>	Deutsche Bank <i>(WealthTech)</i> Equity investment in Oplix <i>(March 2020)</i>	Debt investments:
Banks hold their nerve	Barclays <i>(Green marketplace)</i> Equity investment in SaveMoneyCutCarbon <i>(May 2020)</i>	Goldman Sachs <i>(No-code software)</i> Participation in US\$131 million Series B funding round for Unqork <i>(February 2020)</i>	Barclays Participation in debt funding round for Stenn <i>(June 2020)</i>
	Israel Discount Bank <i>(Payments)</i> Acquisition of 15.5% of Neema Shefa Israel <i>(May 2020)</i>	BBVA <i>(Gig economy finance)</i> Participation in £1 million Seed funding round for Wollit <i>(February 2020)</i>	Banque Raiffeisen, BGL BNP Paribas, Post Luxembourg and Spuerkeess <i>(Open banking)</i> €7.4 million debt financing to LuxHub <i>(May 2020)</i>
Banks hold their nerve	HSBC and ING <i>(Trading)</i> Participation in £5.7 million Series A funding round for TransFICC <i>(April 2020)</i>	Société Générale <i>(InsurTech)</i> €1.1m equity investment in Mutumutu <i>(February 2020)</i>	Venture fund investments:
	Danske Bank <i>(Personal finance management)</i> Equity investment in Spiir <i>(April 2020)</i>	Silicon Valley Bank <i>(AI)</i> Participation in US\$15 million Venture funding round for Rimilia <i>(February 2020)</i>	Santander InnoVentures <i>(Consumer credit)</i> Participation in US\$40 million Series D funding round for Upgrade <i>(June 2020)</i>
Banks hold their nerve	DNB <i>(Personal finance management)</i> Equity investment in Spiir <i>(April 2020)</i>	Commonwealth Bank of Australia <i>(Payments)</i> Participation in US\$200 million Venture funding round for Klarna <i>(January 2020)</i>	Egyptian Gulf Holding for Financial Investments <i>(Point-of-sale finance)</i> Participation in US\$650,000 pre-Seed funding round for Shahry <i>(June 2020)</i>
	Morgan Stanley <i>(Banking)</i> Participation in US\$34 million Series A funding round for 86 400 <i>(April 2020)</i>	Barclays <i>(Digital receipts)</i> Acquisition of minority stake in Flux <i>(January 2020)</i>	Nasdaq Ventures <i>(RegTech)</i> Minority equity investment in Caspian <i>(June 2020)</i>
Banks hold their nerve	Standard Bank <i>(Payments)</i> Equity investment in Payment24 <i>(April 2020)</i>	Crédit Agricole <i>(Open banking)</i> Acquisition of 85% of Linxo <i>(January 2020)</i>	Santander InnoVentures <i>(SME lending)</i> Participation in US\$5 million Series A funding round for a55 <i>(May 2020)</i>
	Bulgarian American Credit Bank <i>(Payments)</i> Participation in €2.5 million Venture funding round for Paynetics <i>(March 2020)</i>	BNP Paribas and Siam Commercial Bank <i>(Payments)</i> Participation in US\$80 million Series E funding round for Currencycloud <i>(January 2020)</i>	ING Ventures <i>(Banking)</i> Participation in £4 million Seed 2 funding round for Countingup <i>(May 2020)</i>
Banks hold their nerve	Bulgarian American Credit Bank <i>(Payments)</i> Participation in €1.5 million Venture funding round for phyre <i>(March 2020)</i>	Standard Chartered <i>(DLT)</i> Equity investment in Contour <i>(January 2020)</i>	ANZi Ventures <i>(Payments)</i> Participation in US\$160 million Series D funding round for Airwallex <i>(April 2020)</i>

Banks hold their nerve

ABN AMRO Ventures <i>(Data privacy)</i> Participation in US\$80 million Series C funding round for Privitar <i>(April 2020)</i>	Standard Chartered <i>(Banking-as-a-service)</i> Launch of banking-as-a-service platform, Nexus, for e-commerce firms <i>(March 2020)</i>	Crédit Agricole and Crédit Mutuel <i>(Payments)</i> Partnership with Apple Pay in France <i>(February 2020)</i>
ABN AMRO Ventures <i>(Banking)</i> Participation in €18.5 million Venture funding round for Penta <i>(March 2020)</i>	Santander <i>(Banking)</i> Launch of Openbank in Portugal <i>(February 2020)</i>	BNP Paribas <i>(Open banking)</i> Open banking JV with Tink <i>(January 2020)</i>
ING Ventures <i>(Natural language processing)</i> Participation in US\$42 million Series B funding round for Eigen Technologies <i>(March 2020)</i>	Cecabank <i>(AI)</i> Launch of Inpulso Platform <i>(January 2020)</i>	Barclays <i>(InsurTech)</i> Invoicing insurance JV with Nimbla <i>(January 2020)</i>
Barclays Ventures <i>(Open banking)</i> Participation in £4.5 million Venture funding round for Youtility <i>(February 2020)</i>	BBVA <i>(Banking)</i> Launch of Holvi in the UK <i>(January 2020)</i>	NatWest <i>(SME lending)</i> Esme Loans and Rapid Cash lending JV with Soldo <i>(January 2020)</i>
Citi Ventures <i>(DLT)</i> Minority equity investment in Contour <i>(February 2020)</i>	Santander <i>(Invoice financing)</i> Launch of Financia & Go <i>(January 2020)</i>	Banco Sabadell <i>(Cloud)</i> Hybrid cloud JV with IBM <i>(January 2020)</i>
ABN AMRO Ventures <i>(Software development)</i> Participation in US\$80 million Venture funding round for Fenergo <i>(February 2020)</i>	JVs / Partnerships / Outsourcings:	BBVA <i>(Cyber security)</i> Security and authentication JV with Nok Nok <i>(January 2020)</i>
Rabo Frontier Ventures <i>(Mortgages)</i> Participation in £7.5 million Series B funding round for Trussle <i>(January 2020)</i>	Belfius <i>(Banking)</i> Digital banking JV with Proximus <i>(June 2020)</i>	CaixaBank <i>(DLT)</i> DLT integration partnership with we.trade Innovation <i>(January 2020)</i>
ING Ventures <i>(Bond analytics)</i> Participation in £3 million Seed funding round for Katana <i>(January 2020)</i>	Santander <i>(RegTech)</i> Correspondent banking AML JV with ThetaRay <i>(June 2020)</i>	Innovation consortia:
Organic investment:	Hauck & Aufhäuser <i>(WealthTech)</i> Wealth management partnership with Raisin <i>(April 2020)</i>	Mashreq Bank <i>(Dubai)</i> Blockchain-based KYC data-sharing coalition with DIFC <i>(March 2020)</i>
Nationwide Building Society <i>(Automation)</i> Launch of Arti <i>(May 2020)</i>	Deutsche Bank <i>(WealthTech)</i> Extension of wealth management alliance with Avaloq <i>(April 2020)</i>	Start-up support:
TSB <i>(Automation)</i> Launch of Smart Agent <i>(April 2020)</i>	J.P. Morgan <i>(Trade finance)</i> Trade finance JV with Taulia <i>(April 2020)</i>	Standard Chartered Fintech academy JV with University of Hong Kong <i>(May 2020)</i>
KBC <i>(WealthTech)</i> Launch of everyoneINVESTED <i>(April 2020)</i>	VTB Bank <i>(Data Analytics)</i> Big Data processing products JV with Rostelcom <i>(April 2020)</i>	EBRD €8 million commitment to Change Ventures Fund II <i>(May 2020)</i>
Western Union <i>(Automation)</i> Launch of Digital Location <i>(April 2020)</i>	HSBC <i>(Trade finance platform)</i> Chinese trade finance loans JV with Cainiao <i>(March 2020)</i>	BBVA Open Talent competition targeting RegTech <i>(March 2020)</i>
ICICI Bank <i>(Digital banking)</i> Launch of digital banking platform <i>(March 2020)</i>	Banco Montepio <i>(AI)</i> AI and automation alliance with IBM <i>(March 2020)</i>	Standard Chartered Middle East fintech alliance with Bahrain Fintech Bay <i>(January 2020)</i>
Royal Bank of Canada <i>(Digital ID)</i> Roll-out of AI and NFC technology for customer digital ID verification <i>(March 2020)</i>	Lloyds <i>(Cloud)</i> Cloud banking alliance with Google <i>(March 2020)</i>	CaixaBank Launch of new Spanish fintech start-up programme in conjunction with Plug and Play <i>(January 2020)</i>
	Standard Chartered <i>(Payments)</i> Global e-commerce JV with Assembly Payments <i>(February 2020)</i>	BNP Paribas Launch of São Paulo-based hub, La Fabrique <i>(January 2020)</i>
	Barclays <i>(Payments)</i> Online payments JV with BigCommerce <i>(February 2020)</i>	Citigroup Launch of US\$150 million Citi Impact Fund <i>(January 2020)</i>

Banks begin rationalisation of fintech portfolios	Rabobank (IBAN check-ups) Spin off of Sure Pay <i>(February 2020)</i>	ING (Bond analytics) Successful £3 million Seed funding round, led by ING Ventures, for Katana <i>(January 2020)</i>	Financial sponsors retain confidence
Financial sponsors retain confidence	Participation in funding rounds:		
	BlackFin Capital Partners, Daphni and Founders Future (Banking) Participation in €20 million Series B funding round for Memo Bank <i>(June 2020)</i>	Octopus Ventures (Personal financial management) Participation in US\$12.6 million Series B funding round for Stackin’ <i>(May 2020)</i>	
	Coatue Management (Point-of-sale lending) Participation in US\$150 million Series B funding round for Checkout.com <i>(June 2020)</i>	Class 5 Global (Payments) Participation in US\$850,000 pre-Seed funding round for Ziina <i>(May 2020)</i>	
	Y Combinator (Banking) Participation in £60 million Series G funding round for Monzo <i>(June 2020)</i>	JTC and Merian Chrysalis Investment Company (Banking) Participation in US\$40 million Venture funding round for Starling Bank <i>(May 2020)</i>	
	Forward Partners (Payments) Participation in US\$8 million Series A funding round for Apexx Global <i>(June 2020)</i>	Earlybird, Venture Capital, Verdane, Vitruvian Partners and Runa Capital (Consumer credit) Participation in €22 million Series E funding round for Smava <i>(May 2020)</i>	
	Index Ventures (Open banking) Participation in US\$10 million Series A funding round for Codat <i>(June 2020)</i>	Major Oak (WealthTech) Participation in £7 million Series A funding round for Smarterly <i>(May 2020)</i>	
	Elaia and Bpifrance (Payments data) Participation in €21 million Series C funding round for iBanFirst <i>(June 2020)</i>	EQT Ventures (Loan refinancing) Participation in US\$30 million Series B funding round for Anyfin <i>(May 2020)</i>	
	Insight Partners and Vensure Enterprises (Cloud-based core banking software) Participation in US\$12 million Venture funding round for Nymbus <i>(June 2020)</i>	Highland Europe, Frog Capital and Blenheim Chalcot (Payments-as-a-service) Participation in £18.9 million Venture funding round for Modulr <i>(May 2020)</i>	
	Raed Ventures (Point-of-sale lending) Participation in US\$7 million Seed funding round for Tabby <i>(June 2020)</i>	Merian Chrysalis Investment (RegTech) Participation in £30 million Venture funding round for Featurespace <i>(May 2020)</i>	
	Change Ventures (Marketplace lending) Participation in US\$1.7 million Seed funding round for AskRobin <i>(May 2020)</i>	Bolton Equities (Mortgages) Participation in US\$33 million Seed funding round for Verteva <i>(May 2020)</i>	
		Balderton Capital (Payments) Participation in £3.2 million Seed funding round for Primer <i>(May 2020)</i>	
		Force Over Mass Capital (Payments) Participation in £2.35 million Seed funding round for Banked <i>(May 2020)</i>	
		Valvar Ventures and Tencent Holdings (Banking) Participation in US\$100m Series D funding round for N26 <i>(May 2020)</i>	
		Omes Ventures, Kindred Capital and Moneysupermarket Group (Cash deposit marketplace) Participation in £12 million Venture funding round for Flagstone <i>(May 2020)</i>	
		Wi Venture (Online trading) Participation in €3.7 million Venture funding round for Yova <i>(April 2020)</i>	
		Fuel Ventures (WealthTech) Participation in £3 million Series A funding round for Capdesk <i>(April 2020)</i>	
		Main Incubator and Forest Capital (Data analytics) Participation in funding round for 21strategies <i>(April 2020)</i>	
		Accel and Founders Fund (Mobile trading) Participation in €61.6 million Series B funding round for Trade Republic <i>(April 2020)</i>	
		TBG Growth (ID verification) Participation in US\$100 million Series D funding round for Onfido <i>(April 2020)</i>	
		Reefknot (Invoice financing) Participation in US\$11 million Venture funding round for Previsé <i>(April 2020)</i>	
	Salesforce Ventures (Payments) Participation in US\$160 million Series D funding round for Airwallex <i>(April 2020)</i>	AlbionVC (Open banking) Participation in £5 million Series A funding round for Credit Kudos <i>(April 2020)</i>	
	Spicehaus Partners (Payments) Participation in unspecified Series A funding round for AMNIS <i>(April 2020)</i>	Global Founders Capital (Payments) Participation in US\$1.5 million Seed funding round for Mamo Pay <i>(April 2020)</i>	
	Mucker Capital, 99 Tartans, Madrona Venture Group and Oregon Venture Fund (Payments) Participation in US\$7.7 million Seed funding round for Sila <i>(April 2020)</i>	Global Brain (Banking) Participation in US\$10 million Series A funding round for Railsbank <i>(April 2020)</i>	
	Warburg Pincus, Accel, Partech, IQ Capital and Salesforce Ventures (Data privacy) Participation in US\$80 million Series C funding round for Privitar <i>(April 2020)</i>	Lakestar (Open API) Participation in US\$13 million Series A funding round for Yapily <i>(April 2020)</i>	
	PMV (WealthTech) Participation in €2 million Seed funding round for InvestSuite <i>(April 2020)</i>	PMV (WealthTech) Participation in €2 million Seed funding round for InvestSuite <i>(April 2020)</i>	
	IVS (Banking) Participation in €1 million Seed funding round for indó <i>(April 2020)</i>	Latitude Ventures, Finch Capital and Oxx (PropTech) Participation in £10 million Series B funding round for Goodlord <i>(March 2020)</i>	
	Draper Esprit (Cloud core banking software) Participation in £65 million Series B funding round for ThoughtMachine <i>(March 2020)</i>	VC New Vision 3 (Payments) Participation in €2.5 million Venture funding round for Paynetics <i>(March 2020)</i>	
	VC New Vision 3 (Payments) Participation in €2.5 million Venture funding round for Paynetics <i>(March 2020)</i>	Earlybird Venture Capital (Corporate expense management) Participation in €3 million Seed funding round for Payhawk <i>(March 2020)</i>	
	VC New Vision 3 (Payments) Participation in €1.5 million Venture funding round for phyre <i>(March 2020)</i>	CapitalG, Aquiline Technology Growth and World Innovation Lab (No-code software) Participation in US\$131 million Series B funding round for Unqork <i>(February 2020)</i>	
	Anthemis (Gig economy finance) Participation in £1 million Seed funding round for Wollit <i>(February 2020)</i>	AlbionVC, Eos Venture Partners & IQ Capital (InsurTech) Participation in US\$20 million Series B funding round for Concirrus <i>(February 2020)</i>	
	Technology Crossover Ventures, Bond Capital and Ribbit Capital (Payments) Participation in US\$500 million Series D funding round for Revolut <i>(February 2020)</i>	Merian Global Investors and JTC Group (Banking) Participation in £60 million Venture funding round for Starling Bank <i>(February 2020)</i>	
	Illuminate Financial and Eight Roads Ventures (RegTech) Participation in US\$10 million Series A funding round for SteelEye <i>(February 2020)</i>	Disruptive Technologies Innovation Fund (RegTech) Participation in €10 million Venture funding round for Corlytics <i>(February 2020)</i>	
	Kennet Partners and Eight Roads Ventures (AI) Participation in US\$15 million Venture funding round for Rimilia <i>(February 2020)</i>	Simcah Management (Working capital finance) Participation in US\$30 million Series C funding round for Demica <i>(January 2020)</i>	
	KPN Ventures (DLT) Participation in €1.9 million Venture funding round for SettleMint <i>(January 2020)</i>	SoftBank (SME Lending) Participation in US\$125 million Series B funding round for AlphaCredit <i>(January 2020)</i>	
	FTV Capital and Blenheim Chalcot (SME lending) Participation in US\$42 million funding round for Liberis <i>(January 2020)</i>	FTV Capital and Blenheim Chalcot (SME lending) Participation in US\$42 million funding round for Liberis <i>(January 2020)</i>	
	e.ventures and Greycroft (Payments) Participation in US\$35 million Series B funding round for Flutterwave <i>(January 2020)</i>	Hambro Perks and Fair by Design (Payments) Participation in £2.9 million Seed funding round for SteadyPay <i>(January 2020)</i>	
	Tencent and DST Global (Banking) Participation in US\$115 million Series C funding round for Qonto <i>(January 2020)</i>	Praetura Ventures (AI) Participation in £2.5 million Venture funding round for FeedStock <i>(January 2020)</i>	
	Insight Partners, HMI Capital and Dawn Capital (Open banking) Participation in €90 million Venture funding round for Tink <i>(January 2020)</i>		

Financial sponsors retain confidence	Goldman Sachs Growth, Finch Capital and Propel Venture (Mortgages) Participation in £7.5 million Series B funding round for Trussle <i>(January 2020)</i>	Tencent, Open CNP, XAnge and New Alpha (Payments) Participation in €40 million Series B funding round for Lydia <i>(January 2020)</i>	Insight Partners (Banking) Participation in US\$73 million Series C funding round for Receipt Bank <i>(January 2020)</i>	Crowdcube and Growthfundrs (Banking) Participation in £2 million Crowdfunding round for B-North <i>(January 2020)</i>	PreSeed Ventures (Cloud-based banking and payment services) Participation in €15 million Series A funding round for Omnio <i>(January 2020)</i>	Slingshot Ventures and Shoe Investments (SME lending) Participation in €15 million Series A funding round for Swishfund <i>(January 2020)</i>	
SWFs hold their nerve	GIC (WealthTech) Participation in US\$107 million Series D funding round for Pagaya <i>(June 2020)</i>	Qatar Investment Authority (Banking) Participation in £60 million Corporate funding round for Tandem <i>(March 2020)</i>					
Other FIs hold their nerve	Visa (Banking) Participation in US\$10 million Series A funding round for Railsbank <i>(April 2020)</i>	DWS Group (UK) Acquisition of 24.9% of Arabesque AI <i>(January 2020)</i>					
Fintech, the ‘enabler’ – pushing the boundaries	Reaching under-serviced economies: Flutterwave (Payments) Successful US\$35 million Series B funding round, led by e.ventures and Greycroft <i>(January 2020)</i>	Reaching under-serviced communities: Wollit (Gig economy finance) Successful £1 million Seed funding round, led by Anthemis <i>(February 2020)</i> SteadyPay (Gig economy finance) Successful £2.9 million Seed funding round, led by Hambro Perks and Fair by Design <i>(January 2020)</i>	Tackling social concerns: Quona (Financial inclusion) Successful US\$203 million Venture funding round, led by Accion International <i>(March 2020)</i> Charitable giving: Thyngs (Charitable giving) Fundraising JV with Charities Trust <i>(April 2020)</i>	Scaling-up	Deal highlight: White & Case advised Goldman Sachs and Morgan Stanley, as managing bookrunners, in connection with the IPO of Lemonade, a which valued the leading tech-enabled insurance business at US\$3.6 billion. Lemonade scooped the title of the best US IPO debut of 2020, with a more than 140% gain Deal highlight: White & Case advised Nets Denmark, one of Europe’s leading payment services providers, on its acquisition of Poland-based Centrum Rozliczeń Elektronicznych Polskie ePłatności Deal highlight: White & Case advised Tide in securing a £60 million grant from the UK’s Banking Competition Remedies Board and on the development of its banking platform Successful fundraisings: Memo Bank (SME lending) Successful €20 million Series B funding round, led by BlackFin Capital Partners <i>(June 2020)</i> Upgrade (Consumer credit) Successful US\$40 million Series D funding round, led by Santander InnoVentures <i>(June 2020)</i> Pagaya (WealthTech) Successful US\$107 million Series D funding round, led by GIC <i>(June 2020)</i>	Monzo (Banking) Successful £60 million Series G funding round, led by Y Combinator <i>(June 2020)</i> Apexx Global (Payments) Successful US\$8 million Series A funding round, led by Forward Partners <i>(June 2020)</i> Codat (Open banking) Successful US\$10 million Series A funding round, led by Index Ventures <i>(June 2020)</i> iBanFirst (Payments data) Successful €21 million Series C funding round, led by Elaia and Bpifrance <i>(June 2020)</i> H4 (Transaction automation) Successful US\$27 million Venture funding round, led by Barclays, Goldman Sachs and J.P. Morgan <i>(June 2020)</i> Nymbus (Cloud-based core banking software) Successful US\$12 million Venture funding round, led by Insight Partners and Vensure Enterprises <i>(June 2020)</i> Tabby (Point-of-sale lending) Successful US\$7 million Seed funding round, led by Raed Ventures <i>(June 2020)</i> Sarwa (WealthTech) Equity investment from DIFC Fintech Fund <i>(June 2020)</i> FlexxPay (Payroll finance) Equity investment from DIFC Fintech Fund <i>(June 2020)</i> Go Rise (Migrant worker lending) Equity investment from DIFC Fintech Fund <i>(June 2020)</i> NOW Money (Payroll finance) Equity investment from DIFC Fintech Fund <i>(June 2020)</i> Shahry (Point-of-sale lending) Successful US\$650,000 pre-Seed funding round, led by Egyptian Gulf Holding for Financial Investments <i>(June 2020)</i> Cloud9 (Voice trading technology) Successful US\$17.5 million Series B funding round, led by UBS <i>(June 2020)</i> Shahry (SME lending) Successful US\$650,000 pre-Seed funding round, led by Egyptian Gulf Bank <i>(June 2020)</i>	Ziina (Payments) Successful US\$850,000 pre-Seed funding round, led by Class 5 Global <i>(May 2020)</i> AskRobin (Marketplace lending) Successful US\$1.7 million Seed funding round, led by Change Ventures <i>(May 2020)</i> Stackin’ (Personal financial management) Successful US\$12.6 million Series B funding round, led by Octopus Ventures <i>(May 2020)</i> Starling Bank (Banking) Successful US\$40 million Venture funding round, led by JTC and Merian Chrysalis Investment Company <i>(May 2020)</i> a55 (SME lending) Successful US\$5 million Series A funding round, led by Santander InnoVentures <i>(May 2020)</i> Smava (Consumer credit) Successful €22 million Series E funding round, led by Vitruvian Partners <i>(May 2020)</i> Monova (AI price comparison) Successful £502,000 Crowd funding round <i>(May 2020)</i> Smarterly (WealthTech) Successful £7 million Series A funding round led by Major Oak <i>(May 2020)</i> Freetrade (Zero-commission trading) Successful £4.5 million Crowd-funding round <i>(May 2020)</i> Anyfin (Loan refinancing) Successful US\$30 million Series B funding round, led by EQT Ventures <i>(May 2020)</i> Modulr (Payments-as-a-Service) Successful £18.9 million Venture funding round, led by Highland Europe <i>(May 2020)</i> Featurespace (RegTech) Successful £30 million Venture funding round, led by Merian Chrysalis Investment <i>(May 2020)</i> Verteva (Mortgages) Successful US\$33 million funding round, led by Bolton Equities <i>(May 2020)</i> Clim8 (Ethical investing) Successful £1.35 million Crowd-funding round <i>(May 2020)</i>

Scaling-up

Judo Bank (Banking)
Successful US\$230 million Series C funding round, led by Tikehau Capital (May 2020)

Primer (Payments)
Successful £3.2 million Seed funding round, led by Balderton Capital (May 2020)

Countingup (Banking)
Successful £4 million Seed 2 funding round, led by ING Ventures (May 2020)

Banked (Payments)
Successful £2.35 million Seed funding round, led by Force Over Mass Capital (May 2020)

Alpian (WealthTech)
Successful €11.2 million Series A funding round (May 2020)

N26 (Banking)
Successful US\$100 million Series D funding round, led by Valar Ventures and Tencent Holdings (May 2020)

LuxHub (Open banking)
€7.4 million debt financing from Banque Raiffeisen, BGL BNP Paribas, Post Luxembourg and Spuerkeess (May 2020)

Flagstone (Cash deposit marketplace)
Successful £12 million Venture funding round, led by Omes Ventures (May 2020)

Finom (Entrepreneur / freelancer banking)
Successful €6.5 million Seed funding round, led by Target Group (May 2020)

TransFICC (Trading)
Successful £5.7 million Series A funding round, led by Albion VC (April 2020)

Yova (Online trading)
Successful €3.7 million Venture funding round, led by Wi Venture (April 2020)

Chip (Personal finance)
Successful £2.6 million Crowd-funding round (April 2020)

Capdesk (WealthTech)
Successful £3 million Series A funding round, led by Fuel Ventures (April 2020)

Spiir (Personal finance management)
Equity investment from DNB and Danske Bank (April 2020)

21strategies (Data analytics)
Successful funding round, led by Main Incubator and Forest Capital (April 2020)

Compeon (Trade finance)
Equity investment by Iris Capital (April 2020)

Trade Republic (Mobile trading)
Successful €61.6 million Series B funding round, led by Accel and Founders Fund (April 2020)

Onfido (ID verification)
Successful US\$100 million Series D funding round, led by TBG Growth (April 2020)

Previs (Invoice financing)
Successful US\$11 million Venture funding round, led by Reefknot Investments and Mastercard (April 2020)

Crypto Finance (Crypto asset management)
Successful US\$14.5 million Series B funding round, led by Rainer-Marc Frey and Lingfeng Capital (April 2020)

Airwallex (Payments)
Successful US\$160 million Series D funding round, led by ANZi Ventures and Salesforce Ventures (April 2020)

Credit Kudos (Open banking)
Successful £5 million Series A funding round, led by AlbionVC (April 2020)

AMNIS (Payments)
Successful Series A funding round, led by Spicehaus Partners (April 2020)

Mamo Pay (Payments)
Successful US\$1.5 million Seed funding round, led by Global Founders Capital (April 2020)

Sila (Payments)
Successful US\$7.7 million Seed funding round, led by Madrona Venture Group and Oregon Venture Fund (April 2020)

86 400 (Banking)
Successful US\$34 million Series A funding round, led by Morgan Stanley (April 2020)

Railsbank (Banking)
Successful US\$10 million Series A funding round, led by Visa and Global Brain (April 2020)

Privitar (Data privacy)
Successful US\$80 million Series C funding round, led by Warburg Pincus (April 2020)

Yapily (Open API)
Successful US\$13 million Series A funding round, led by Lakestar (April 2020)

InvestSuite (WealthTech)
Successful €2 million Seed funding round, led by PMV (April 2020)

indó (Banking)
Successful €1 million Seed funding round, led by IVS (April 2020)

Goodlord (PropTech)
Successful £10 million Series B funding round, led by Latitude Ventures (March 2020)

Paynetics (Payments)
Successful €2.5 million Venture funding round, led by VC New Vision 3 and Bulgarian American Credit Bank (March 2020)

Payhawk (Corporate expense management)
Successful €3 million Seed funding round, led by Earlybird Venture Capital (March 2020)

AlphaPoint (Crypto exchange software)
Successful US\$5.6 million Venture funding round, led by Galaxy Digital (March 2020)

ThoughtMachine (Cloud core banking software)
Successful £65 million Series B funding round, led by Draper Esprit (March 2020)

Eigen Technologies (Natural language processing)
Successful US\$42 million Series B funding round, led by ING Ventures (March 2020)

Tandem (Banking)
Successful £60 million Corporate funding round, led by the Qatar Investment Authority (March 2020)

Finantix (WealthTech)
Acquisition of InCube (March 2020)

Penta (Banking)
Successful €18.5 million Venture funding round, led by RTP Global and HV Holtzbrinck Ventures (March 2020)

Scaling-up

Xinja Bank (Banking)
US\$254.5m equity investment by World Investment (March 2020)

phyre (Payments)
Successful €1.5 million Venture funding round, led by VC New Vision 3 and Bulgarian American Credit Bank (March 2020)

B-Social (Banking)
Successful £7.8 million Seed funding round, led by Rudy Karsan (February 2020)

Unqork (No-code software)
Successful US\$131 million Series B funding round, led by CapitalG (February 2020)

Youility (Open Banking)
Successful £4.5 million Venture funding round, led by Michael Spencer (February 2020)

JUMO (Banking)
Successful US\$55 million Venture funding round, led by Goldman Sachs, Odey Asset Management and Leapfrog Investments (February 2020)

Wollit (Gig economy finance)
Successful £1 million Seed funding round, led by Anthemis (February 2020)

Concirus (InsurTech)
Successful US\$20 million Series B funding round, led by AlbionVC (February 2020)

Revolut (Payments)
Successful US\$500 million Series D funding round, led by Technology Crossover Ventures (February 2020)

Mutumutu (InsurTech)
€1.1m equity investment from Société Générale (February 2020)

Behavox (RegTech)
US\$100 million equity investment by SoftBank Vision Fund II (February 2020)

Ramp (Corporate credit cards)
Successful US\$25 million Venture funding round, led by Founders Fund (February 2020)

Fenergo (Software development)
Successful US\$80 million Venture funding round, led by DXC Technology (February 2020)

SteelEye (RegTech)
Successful US\$10 million Series A funding round, led by Illuminate Financial and Eight Roads Ventures (February 2020)

Corlytics (RegTech)
Successful €10 million Venture funding round, led by Disruptive Technologies Innovation Fund (February 2020)

Rimilia (AI)
Successful US\$15 million Venture funding round, led by Silicon Valley Bank, Kennet Partners and Eight Roads Ventures (February 2020)

Klarna (Payments)
Successful US\$200 million Venture funding round, led by Commonwealth Bank of Australia (January 2020)

SettleMint (DLT)
Successful €1.9 million Venture funding round, led by KPN Ventures (January 2020)

Currencycloud (Payments)
Successful US\$80 million Series E funding round, led by Visa, BNP Paribas, SBI Group, Siam Commercial Bank and International Finance Corp (January 2020)

AlphaCredit (SME Lending)
Successful US\$125 million Series B funding round, led by SoftBank (January 2020)

Demica (Working capital finance)
Successful US\$30 million Series C funding round, led by Simcah Management (January 2020)

Liberis (SME Lending)
Successful US\$42 million funding round, led by FTV Capital (January 2020)

Flutterwave (Payments)
Successful US\$35 million Series B funding round, led by e.ventures and Greycroft (January 2020)

SteadyPay (Payments)
Successful £2.9 million Seed funding round, led by Hambro Perks and Fair by Design (January 2020)

Oonto (Banking)
Successful US\$115 million Series C funding round, led by Tencent and DST Global (January 2020)

FeedStock (AI)
Successful £2.5 million Venture funding round, led by Praetura Ventures (January 2020)

Tink (Open banking)
Successful €90 million Venture funding round, led by Insight Partners, HMI Capital and Dawn Capital (January 2020)

Auteni (Digital signature)
Successful £3.4 million Seed funding round, led by Alior Bank, BNP Paribas and PKO Bank Polski (January 2020)

Lydia (Payments)
Successful €40 million Series B funding round, led by Tencent (January 2020)

Swishfund (SME lending)
Successful €15 million Series A funding round, led by Slingshot Ventures and Shoe Investments (January 2020)

Receipt Bank (Banking)
Successful US\$73 million Series C funding round, led by Insight Partners (January 2020)

B-North (Banking)
Successful £2 million Crowdfunding round, led by Crowdcube and Growthfundrs (January 2020)

Omnio (Banking)
Successful €15 million Series A funding round, led by PreSeed Ventures (January 2020)

Tapping public markets:

Lendify (Consumer finance)
Successful €13.6 million rights issue (April 2020)

Expanding footprints / product lines:

Delta Capital (Solution provider)
US\$50 million equity investment by Prytek Holdings (April 2020)

Spin-offs:

QIWI (Financial ecosystem)
Equity investment from SBI Ven Holdings in Qplatform (April 2020)

Scaling-up	<p>Direct equity investment:</p> <p>Trustly (Payments) Minority equity investment by BlackRock <i>(June 2020)</i></p> <p>Caspian (RegTech) Minority equity investment by Nasdaq Ventures <i>(June 2020)</i></p> <p>Appway (Digital banking software) US\$37 million equity investment by Summit Partners <i>(June 2020)</i></p> <p>Norwegian Finans Holding (Banking) €23 million equity investment by Nordic Capital <i>(March 2020)</i></p> <p>Mercury TFS (Trade finance) €30m equity investment by Santander <i>(March 2020)</i></p> <p>JVs:</p> <p>Tinkoff (Banking) QR code recognition JV with Smart Engines <i>(June 2020)</i></p> <p>Indó (Banking) Payments, open banking and sustainability JV with Enfuce <i>(June 2020)</i></p> <p>ThetaRay (RegTech) Correspondent banking AML JV with Santander <i>(June 2020)</i></p> <p>Revolut (Banking) SME customer marketing JV with Adzooma <i>(April 2020)</i></p> <p>Phos (Payments) Contactless payments JV with Mastercard <i>(April 2020)</i></p>	<p>SumUp (Payments) Electronic SME payments JV with Mastercard <i>(February 2020)</i></p> <p>Flutterwave (Payments) Payments JV with Visa and Worldpay <i>(January 2020)</i></p> <p>Nok Nok (Cyber security) Security and authentication JV with BBVA <i>(January 2020)</i></p> <p>Inorganic growth:</p> <p>Even Financial (InsurTech) Acquisition of LeapLife <i>(April 2020)</i></p> <p>Beeks Financial Cloud Group (Trade analytics) Acquisition of Velocimetrics <i>(April 2020)</i></p> <p>SoFi (Payments) Acquisition of Galileo Financial Technologies <i>(April 2020)</i></p> <p>Fiserv (Omni-commerce) Acquisition of MerchantPro Express <i>(March 2020)</i></p> <p>Fiserv (Omni-commerce) Acquisition of Bypass Mobile <i>(March 2020)</i></p> <p>Crif (Personal finance management) Acquisition of Strands <i>(March 2020)</i></p> <p>Tink (Account aggregation) Acquisition of Eurobits <i>(March 2020)</i></p>	<p>Nets (Payments) Acquisition of Polskie ePlatnosci <i>(March 2020)</i></p> <p>Accuity (Payments) Acquisition of Apply Financial <i>(March 2020)</i></p> <p>Salt Pay (Payments) Acquisition of 63.5% of Borgun <i>(March 2020)</i></p> <p>Greensill (Payroll finance) Acquisition of Earnd <i>(March 2020)</i></p> <p>Intuit (Consumer credit reporting) Acquisition of Credit Karma <i>(February 2020)</i></p> <p>Valiant (Digital brokerage) Acquisition of additional 12% of AgentSelly <i>(February 2020)</i></p> <p>FNZ (WealthTech) Acquisition of Irish Progressive Services International <i>(February 2020)</i></p> <p>Viva Wallet (Banking) Acquisition of Praxia Bank <i>(January 2020)</i></p> <p>Broadridge Financial (Fund documents and data) Acquisition of FundsLibrary <i>(January 2020)</i></p> <p>Raisin (Financial planning advisory) Acquisition of Choice Financial Solutions <i>(January 2020)</i></p>	Beware the undertow	<p>Regulatory intervention:</p> <p>Autoriteit Persoonsgegevens (Netherlands) Investigation into Dutch PSD2 licence holders’ handling of customer data <i>(March 2020)</i></p> <p>Over optimism:</p> <p>RBS (Banking) Shutdown of digital retail challenger bank Bó <i>(May 2020)</i></p> <p>Funding Circle (P2P) Scaleback from Netherlands and Germany <i>(March 2020)</i></p> <p>N26 (Banking) Exit from the UK <i>(February 2020)</i></p> <p>Carrefour Banque (Banking) Cessation of digital banking services <i>(January 2020)</i></p>		
	ICOs/Cryptocurrencies						
Top-down support for fintech continues	<p>Governments:</p> <p>UK Government Launch of Future Fund, a £250 million direct co-investment programme for UK start-ups <i>(April 2020)</i></p> <p>Financial Action Task Force Promotion of digital identity technology <i>(April 2020)</i></p> <p>Spanish Government Approval of draft legislation to establish local regulatory sandbox <i>(March 2020)</i></p> <p>Scottish Enterprise £1.97 million grant to Encompass <i>(February 2020)</i></p>	<p>Regulators:</p> <p>Autorité de Contrôle Prudentiel et de Résolution Fintech co-operation MoU with New York State Department of Financial Services <i>(June 2020)</i></p> <p>KIR eIDAS-certified remote-qualified e-signature JV with Cryptomathic <i>(April 2020)</i></p> <p>European Commission €2 billion pledge for creation of EU cloud alliance <i>(February 2020)</i></p>	<p>Trade associations:</p> <p>TheCityUK Support for overhaul of fintech regulations in light of COVID-19 pandemic requirements <i>(May 2020)</i></p>	Support for cryptos	<p>Financial sponsors:</p> <p>Lingfeng Capital Participation in US\$14.5 million Series B funding round for Crypto Finance <i>(April 2020)</i></p> <p>Galaxy Digital Participation in US\$5.6 million Venture funding round for AlphaPoint <i>(March 2020)</i></p> <p>Target Global, LocalGlobe and MMC Ventures Participation in US\$8 million Series A funding round for Copper <i>(February 2020)</i></p> <p>NGC Ventures Participation in US\$2 million Series A funding round for Banxa <i>(January 2020)</i></p>	<p>Central banks:</p> <p>Banque de France Plans for use of CBDC for interbank settlements <i>(April 2020)</i></p> <p>Ultra high-net-worth:</p> <p>Roger Studer Participation in €18 million Series A funding round for Bitcoin Suisse <i>(May 2020)</i></p> <p>Institutional (Equity investments):</p> <p>Arab Bank Switzerland Participation in Series A funding round for Taurus <i>(April 2020)</i></p> <p>SIX Equity investment in Omniex <i>(February 2020)</i></p> <p>Wells Fargo Strategic Capital Participation in US\$5 million Series B funding round for Elliptic <i>(February 2020)</i></p>	<p>Institutional (JVs):</p> <p>Seba Tokenisation JV with Tokensoft <i>(May 2020)</i></p> <p>Babb Launch in Apple App Store and Google Play Store <i>(April 2020)</i></p> <p>Julius Bär Digital asset custody and crypto transaction solutions JV with Seba <i>(January 2020)</i></p>
	First movers march on						
Regulatory intervention	Coinbase						
	Coinbase						
Financial Stability Board							

whitecase.com

In this publication, White & Case means the international legal practice comprising White & Case LLP, a New York State registered limited liability partnership, White & Case LLP, a limited liability partnership incorporated under English law, and all other affiliated partnerships, companies and entities.

This publication is prepared for the general information of our clients and other interested persons. It is not, and does not attempt to be, comprehensive in nature. Due to the general nature of its content, it should not be regarded as legal advice.

Attorney Advertising.
Prior results do not guarantee a similar outcome.

© 2020 White & Case LLP

Patrick Sarch
Co-Head of Global Financial Institutions Industry Group
Public M&A/FIG M&A
Partner, London
T +44 20 7532 2286
E patrick.sarch@whitecase.com

Prof. Dr. Roger Kiem
Co-Head of EMEA FIG M&A
FIG M&A
Partner, Frankfurt
T +49 69 29994 1210
E roger.kiem@whitecase.com

Ashley Ballard
EMEA Corporate Group
FIG M&A
Partner, London
T +44 20 7532 2128
E aballard@whitecase.com

Guy Potel
EMEA Corporate Group
Public M&A/Fintech
Partner, London
T +44 20 7532 1969
E guy.potel@whitecase.com

Hyder Jumabhoy
EMEA Corporate Group
FIG M&A
Partner, London
T +44 20 7532 2268
E hyder.jumabhoy@whitecase.com

Daniel Turgel
EMEA Corporate Group
Fast Growth/Private M&A
Partner, London
T +44 20 7532 2402
E daniel.turgel@whitecase.com

Emmie Jones
EMEA Private Equity Group
Partner, London
T +44 20 7532 1727
E emmie.jones@whitecase.com

Jan Jensen
Head of Nordic Private Equity Group
Private Equity
Partner, Stockholm
T +46 8 506 32 375
E jan.jensen@whitecase.com

Henrik Wireklint
EMEA Corporate Group
Private M&A
Partner, Stockholm
T +46 8 506 32 331
E henrik.wireklint@whitecase.com

Martin Jarvengren
EMEA Corporate Group
FIG M&A/Financial Regulatory Advisory
Partner, Stockholm
T +46 8 506 32 371
E martin.jarvengren@whitecase.com

Michael Immordino
EMEA Capital Markets Group
Private M&A/Public M&A/Capital Markets
Partner, Milan/London
T +39 020 068 8310
E michael.immordino@whitecase.com

Leonardo Graffi
EMEA Corporate Group
FIG M&A
Partner, Milan
T +39 020 068 8370
E leonardo.graffi@whitecase.com

Darragh Byrne
Co-Head EMEA Corporate Group
Public M&A/Private M&A
Partner, Frankfurt, Stockholm
T +49 69 29994 1433
E darragh.byrne@whitecase.com

Dr. Jost Kotthoff
Head of Global Technology Transactions
Technology Transactions
Partner, Frankfurt
T +49 69 29994 1275
E jkotthoff@whitecase.com

Debashis Dey
EMEA Capital Markets Group
Securitisations/NPLs
Partner, London, Dubai
T +44 20 7532 1772/+971 4 381 6202
E debashis.dey@whitecase.com

Dennis Heuer
EMEA Capital Markets Group
Securitisations/NPLs
Partner, Frankfurt
T +49 69 29994 1576
E dheuer@whitecase.com

Hugues Mathez
EMEA Corporate Group
FIG M&A
Partner, Paris
T +33 1 55 04 15 10
E hmathez@whitecase.com

Franck De Vita
EMEA Corporate Group
FIG M&A
Partner, Paris
T +33 1 55 04 15 75
E fdevita@whitecase.com

Jonathan Rogers
EMEA Corporate Group
Financial Regulatory Advisory
Partner, London
T +44 20 7532 2163
E jonathan.rogers@whitecase.com

Emilie Rogey
EMEA Corporate Group
Financial Regulatory Advisory
Partner, Paris
T +33 1 55 04 16 22
E emilie.rogey@whitecase.com

Adrianus Schoorl
EMEA Corporate Group
Financial Regulatory Advisory
Local Partner, Dubai
T +971 4 381 6273
E adrianus.schoorl@whitecase.com

Arcelia Olea Leyva
Americas Capital Markets Group
Financial Regulatory Advisory
Local Partner, Mexico City
T +52 55 55409635
E arcelia.olea@whitecase.com

We do not accept any liability in relation to this Report or its distribution by any person. This Report has been prepared exclusively using information in the public domain. We have not independently verified the information relied on for the purposes of or contained in this Report. Accordingly, no representation or warranty or undertaking (express or implied) is made, and no responsibility or liability is accepted by us as to the authenticity, origin, validity, accuracy or completeness of, or any errors in or omissions from, any information or statement contained in this Report or in or from any accompanying or subsequent material or presentation.

We are neither giving nor purporting to give any assurance as to the likelihood of any transaction. Furthermore, this Report does not, and is not intended to, constitute an offer or invitation to any person to purchase any securities of any nature whatsoever. This Report is provided on a non-reliance basis and is not intended to be exhaustive or to constitute legal advice or any nature whatsoever. We do not accept any responsibility, express or implied, for updating this Report.