

Europe's unicorns lengthen their stride amidst COVID-19 uncertainty—the bold set their sights on IPO in 2021

**Financial Institutions M&A:
Sector trends H2 2020 | Outlook for 2021
Fintech**

**3 reasons why fintech M&A
has weathered the H2 2020 COVID-19
storm:**

**Established banks have recognised
the importance of digitalisation:**

The COVID-19 pandemic has driven appetite for RegTech, data analytics, automation and digital distribution solutions

**Financial sponsors have held
their nerve:**

VC and late-stage PE investors have continued to back Europe's unicorns and stand by their existing portfolio businesses

**Unicorns have capitalised on market
opportunities:**

Growth in e-commerce has spurred the development of payments, digital identification, consumer lending and open banking first-movers

Europe's unicorns lengthen their stride amidst COVID-19 uncertainty—the bold set their sights on IPO in 2021

2020 has been a turbulent year for many fintechs. Established fintechs and startups with deliverable business plans have thrived, while others have suffered the indignity of plummeting valuations and down rounds.

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Fintech M&A, particularly payments, digital distribution, RegTech and automation, has remained sizzling hot. But the pandemic has forced firms to focus on cost discipline and earnings resilience as an underpin to robust valuations.

Overview

CURRENT MARKET

High—holding steady

WE ARE SEEING

- Established banks double down on digitalisation:
 - Launch of dedicated fintech funds (e.g., Santander's spin-out of Mouro Capital and HSBC's new US\$260 million Vision Private Equity 2020 Fund)
 - Equity investments—particular focus on RegTech (e.g., Barclays' minority equity investment in Kharon), data analytics (e.g., Citibank's minority equity investment in Solidatus), automation (e.g., HSBC's minority equity investment in Episode Six), digital distribution channels (e.g., Macquarie's minority equity investment in Molo Finance) and specialty finance (e.g., Deutsche Bank's minority equity investment in Traxpay)
 - IT estate migration – moving into the cloud – the prevalence of the partnership model (e.g., UBS, Standard Chartered, HSBC and Deutsche Bank all entered into cloud-based banking partnerships in H2 2020)
- Bank's prioritise proximity to self-sustainability over future promises—rationalisation of fintech portfolios (e.g., ABN AMRO's wind-down of MoneyYou and HSBC's wind-down of Pulse)
- Financial sponsors:
 - Bulking up investment firepower and capability (e.g., Augmentum Fintech's £28 million fund raising and NFT Ventures' acquisition of Collector Ventures 1)
 - Backing Europe's unicorns (e.g., Novator Partners's participation in Monzo Bank's £250 million Series G and Vulcan Capital's participation in Neon Pagamentos' US\$300 million Series C)
 - Standing by portfolio businesses (e.g., Tink's €85 million round, supported by Dawn Capital, GetSafe's US\$30 million Series B, supported by Earlybird, btov Partners and Capnamic Ventures Management and Amount's US\$81 million Series C, supported by August Capital, Invus Opportunities and Hanaco Ventures)
- Unicorns lengthen stride amidst COVID-19 uncertainty:
 - Existing unicorns stockpile development capital (e.g., Revolut's US\$80 million Series D, Chime's US\$485 million Series F, Klarna's US\$650 million round)

- Birth of new unicorns (e.g., Wealthsimple, Chase, Greenlight Financial Technology and Razorpay, amongst others, join the unicorn club)
- Successful fund raisings aplenty, but a number of fintechs (particularly retail banking and consumer lending) experienced valuation slumps and down rounds

KEY DRIVERS

- Increased reliance on fintech by established financial institutions:
 - RegTech—combating online payment fraud
 - Automation—reducing costs and streamlining operational processes
 - WealthTech—enhancing customer interaction amidst branch closures
 - Advanced data analytics—understanding customer demographics and financial needs
 - Niche retail and specialty finance—tapping into under-serviced market segments
- Financial sponsors hold their nerve:
 - Turbocharging established brands (e.g., Klarna, Cleo, Melio, Chainalysis, LinkAja, etc.)
 - Encouraging disruption—payments (e.g., GoCardless, Cashfree, Chipper Cash, Score & Secure Payment, Veem, etc.), POS finance (e.g., Zilch, Affirm, KodyPay, etc.) and online trading (e.g., Keyrock, PrimaryBid, DriveWealth, M1 Finance, Groww, etc.) were particularly hot in H2 2020
- Financial sponsors cash-out of early-bird investments (e.g., Indiabulls' disposal of minority stake in OakNorth)
- Fintech as an avenue for tackling social concerns:
 - Established financial institutions see long-term value (e.g., Deutsche Börse's financial support for AI-enabled societal impact investing startup, Clarity AI)
 - VCs see long-term value (e.g., Momeni Digital Ventures', Elevat3 Capital's and EWE's financial support for sustainable infrastructure project finance startup, Bullfinch Asset)

Our M&A forecast

TRENDS TO WATCH

- Purse strings of innovation budgets within banks tighten
- Financial sponsors adopt a more conservative approach to funding rounds:
 - Internal investment committees scrutinise valuations
 - Investors expect contractual commitments from founders on deliverability of business plans
 - Focusing investment resources on existing portfolio businesses which need funds to survive COVID-19 disruption
 - Conserving investment resources for “better priced” funding rounds
- UK increases focus on fintech to support London as a leading financial hub (e.g., launch of UK Department for International Trade's Leading Edge programme and deployment of Banking Competition Remedies Board funding towards innovation)



M&A activity will remain high but successful deals are likely to take longer and be more complicated to execute—expect extended timetables and more lawyer heavy processes. Investors, both new and those following their money, are likely to scrutinise valuations more closely and expect more bang-for-buck vis-à-vis contractual terms. Calibrating funding round process documentation and term sheets to reflect prevailing market conditions will be more critical than ever before.

Fintech

Banks' digitalisation strategies march on

The UK's financial institutions are planning for a year of investment in new technology. 88% of senior leaders say tech investment is a top strategic priority for the next 12 months, ahead of responding to the COVID-19 pandemic at 63% and further business expansion at 62%. *Finextra (September 2020)*

The COVID-19 crisis is spurring incumbent banks to shed costs and increase automation at speed. 78% of banks have "proven more agile than previously thought" and 72% "have grown more innovative in 2020". *Finextra (September 2020)*

Deal highlight:

White & Case advised fast-growing fintech company, Pollinate, on its second tranche of a Series B round. The investment was led by National Australia Bank which has in parallel entered into a commercial partnership with Pollinate, through which it will implement Pollinate's platform to help its SME customers to better manage and grow their businesses.

Acquisitions:

Sberbank (POS technology)
Acquisition of 29% of Evotor (December 2020)

Komerční banka (Digital factoring)
Acquisition of 24.9% stake in Roger (October 2020)

illimity (Open banking)
Acquisition of 50% of Hype (September 2020)

Dedicated fintech funds:

Santander (Spain)
Spin-out of Mouro Capital (previously Santander Innoventures) and additional US\$400 million capital (September 2020)

HSBC (UK)
Successful US\$260 million raising of HSBC Vision Private Equity 2020 Fund (August 2020)

Rossiya Bank (Russia)
US\$11.9 million equity investment in National Technology Initiative (August 2020)

Start-up support:

UBS (Switzerland)
Launch of US\$200 million UBS Next fintech investment fund (October 2020)

Equita (Italy)
Successful €100 million capital for Equita Private Debt Fund II (September 2020)

ABN Amro (Netherlands)

Collaboration with Techstars to support start-up entrepreneurs (August 2020)

Established player investments:

Credit Suisse (China)
US\$100 million equity investment in Ant Financial (July 2020)

Start-up investments:

Macquarie (Online mortgages)
Participation in US\$266 million Series A funding round for Molo Finance (October 2020)

National Australia Bank (Payments)

Acquisition of minority stake in Pollinate (September 2020)

Barclays (RegTech)

Acquisition of minority stake in Kharon (September 2020)

Citibank (Data analytics)

Acquisition of minority shareholding in Solidatus (August 2020)

Lloyds and Nationwide (Cloud-based payments)

Participation in £33 million Series C funding round for Form3 (August 2020)

Deutsche Bank (Supply chain finance)

Equity investment in Traxpay (July 2020)

Standard Chartered (FX post-trade infrastructure)

Equity investment in Cobalt (July 2020)

Lloyds (Cloud-based payments)

Acquisition of minority stake in Form3 (July 2020)

HSBC (Payments management)

Participation in US\$7 million Series A funding round for Episode Six (July 2020)

J.P. Morgan (Open banking)

Acquisition of minority stake in FitBank (July 2020)

Bankia (DLT-based payments technology)

Acquisition of 20% of Finweg (July 2020)

Standard Chartered and Zürcher Kantonalbank (Cryptocurrency management)

Participation in US\$17 million Series A funding round for Metaco (July 2020)

Rothschild (Mobile money transfer)

Participation in US\$50 million Series B funding round for Modex (June 2020)

Venture fund investments:

ING Ventures (RegTech)
Minority equity investment in eXate (December 2020)

Goldman Sachs (BaaS)
Participation in US\$81 million Series C funding round for Amount (December 2020)

ABN AMRO Ventures (Online investment platform)

Participation in US\$50 million Series B funding round for PrimaryBid (October 2020)

Banks' digitalisation strategies march on

MUFG Innovation Partners and National Australia Bank Ventures (Payments)

Participation in US\$31 million funding round for Veem (September 2020)

Citi Ventures (Digital ID)

Participation in US\$35 million funding round for Source (August 2020)

ABN AMRO Ventures (RegTech)

Participation in US\$64.7 million Series C funding round for Quantexa (July 2020)

CommerzVentures (RegTech)

Participation in US\$23 million Series A funding round for Curv (July 2020)

ABN AMRO Ventures (Digital banking)

Participation in €60 million Series C funding round for SolarisBank (June 2020)

JVs/Partnerships:

Banca Sella (Deposit platform)
Deposits JV with Raisin (December 2020)

Sumitomo Mitsui Banking Corporation (Data analytics)

Credit monitoring analytics partnership and US\$30 million equity investment in OakNorth (November 2020)

PeoplesBank (Digital banking)

Launch of digital-only bank, Zynlo, in partnership with Nymbus (October 2020)

SEBA Bank (DLT)

Banking settlement JV with Lightnet (August 2020)

UBS (Cloud-based banking)

Cloud-based platform development JV with GitLab (August 2020)

Standard Chartered (Cloud-based banking)

Digital transformation JV with Microsoft (August 2020)

J.P. Morgan (Digital banking)

Digital banking JV with AWS and 10x Future Technologies

Metro Bank (Automation)

Automation JV with Wipro (August 2020)

Barclays (WealthTech)

Development of Barclays Plan & Invest in collaboration with Scalable Capital (July 2020)

Gazprombank (Software development)

Software development JV with Sergey Matsotsky (July 2020)

HSBC (Cloud-based banking experience)

Cloud-based banking experience JV with AWS (July 2020)

Deutsche Bank (Cloud-based product development)

Cloud-based new client product JV with Google (July 2020)

Lloyds Bank (Payments)

Cloud-native payments JV with Form3 (July 2020)

UBS (Financial planning)

Renovation financing JV with Houzy (July 2020)

Collaboration projects:

Sabadell, Santander, Bankia, BBVA and CaixaBank

Payments triggered by smart contracts proof-of-concept (July 2020)

ABN Amro, ING, Rabobank, Triodos Bank and de Volksbank

Creation of AML transaction monitoring utility, Transaction Monitoring Netherlands (August 2020)

Fintech rationalisations

ABN AMRO (Digital banking)

Wind-down of MoneYou (September 2020)

HSBC (Open banking)

Closure of Pulse (July 2020)

Financial sponsors hold their nerve

Deal highlight:

White & Case represented Mid Europa Partners on its acquisition of Sage's Polish accounting software business.

Deal highlight:

White & Case represented Gaia Capital Partners, the Paris-based investment fund specialising in growth companies on its investment, alongside Edison Partners and Citi Ventures, in the US\$40 million equity funding round of GoHenry, the money app and pre-paid debit card aimed at encouraging healthy financial habits in 6-to-18-year-olds.

Deal highlight:

White & Case advised Novator Partners on its investment in a Series G follow-on investment in Monzo Bank Limited.

InsurTechs raised US\$1.56 billion in Q2 2020, up 71% over Q1 2020 across 74 deals, down 23% from Q1 2020. *S&P Global (July 2020)*

Financial sponsors hold their nerve

Participation in funding rounds:

Accel (Payments)

Participation in €86 million Series B funding round for Lydia (December 2020)

Velocity Capital FinTech Ventures (Banking software)

Participation in €22 million funding round for Five Degrees (December 2020)

Bain Capital Ventures (Payments)

Participation in US\$95 million Series F funding round for GoCardless (December 2020)

Gauss Ventures (POS)

Participation in US\$30 million funding round for Zilch (December 2020)

Pictet Group and ACE & Company (RegTech)

Participation in €15.8 million funding round for NetGuardians (December 2020)

Notion Capital and HV Capital (Securities API)

Participation in US\$12 million Series A funding round for Upvest (December 2020)

EQT Ventures

(Financial management app) Participation in US\$44 million Series B funding round for Cleo (December 2020)

Lightspeed

(Banking solutions for fintechs) Participation in US\$12.4 million seed funding round for Synctera (December 2020)

Quilam Capital (Consumer credit)

Participation in £16 million funding round for Updraft (December 2020)

Lifeline Ventures (Digital receipts)

Participation in €2 million seed funding round for ReceiptHero (December 2020)

Gaia Capital Partners, Edison Partners and Citi Ventures (Child-friendly pre-paid debit cards)

Participation in US\$40 million equity funding round for GoHenry (December 2020)

Accel (Payments)

Participation in £14 million Series A funding round for Primer (November 2020)

Novator Partners (Digital banking)

Participation in £250 million Series G funding round for Monzo Bank (November 2020)

Apis Growth (Payments)

Participation in US\$35.5 million Series B funding round for Cashfree (November 2020)

Addition (DLT analytics)

Participation in US\$100 million Series C funding round for Chainalysis (November 2020)

Ribbit Capital (Payments)

Participation in US\$30 million Series B funding round for Chipper Cash (November 2020)

LGT Lightstone and TIM Ventures (Payments)

Participation in €93 million funding round for Satispay (November 2020)

MiddleGame Ventures and Ventura Capital (Open banking)

Participation in US\$37 million funding round for Railsbank (November 2020)

Oxx (Automation)

Participation in US\$13 million funding round for Lightico (November 2020)

Ribbit Capital (Mobile banking)

Participation in US\$15 million Series A funding round for Vivid Money (November 2020)

Cegedim (Payments)

Participation in €6 million funding round for Score & Secure Payment (November 2020)

Nyca Partners (Data analytics)

Participation in US\$10 million Series A funding round for Transcend (October 2020)

SIX Fintech Ventures and MiddleGame Ventures (Crypto trading)

Participation in US\$4.3 million funding round for Keyrock (October 2020)

Momeni Digital Ventures, Elevat3 Capital and EWE (Green asset management)

Participation in funding round for Bullfinch Asset (October 2020)

LSE, Draper Esprit, OMERS Ventures and Fidelity International Strategic Ventures (Online investment platform)

Participation in US\$50 million Series B funding round for PrimaryBid (October 2020)

Point72 Ventures (Online trading)

Participation in US\$56.7 million Series C funding round for DriveWealth (October 2020)

Group 11 (Mobile banking for freelancers)

Participation in US\$15 million Series A funding round for Lili (October 2020)

Left Lane Capital (Online trading)

Participation in US\$45 million Series C funding round for M1 Finance (October 2020)

GIC and Sequoia (Payments)

Participation in US\$100 million Series D funding round for Razorpay (October 2020)

GCV (Neo banking)

Participation in £1 million bridge funding round for B-North (October 2020)

Patron Capital (Online mortgages)

Participation in US\$266 million Series A funding round for Molo Finance (October 2020)

Dawn Capital (RegTech)

Participation in US\$20 million Series B funding round for AccessFintech (October 2020)

Financial sponsors hold their nerve

Great Hill Partners, .406 Ventures & Eight Roads Ventures (Accounts payable automation)

Participation in US\$50 million Series D funding round for MineralTree (September 2020)

Canapi Ventures & TTV Capital (Child-friendly debits cards)

Participation in US\$215 million Series C funding round for Greenlight Financial Technology (September 2020)

Valar Ventures (Consumer credit)

Participation in US\$55 million Series C funding round for Petal (September 2020)

Mouro Capital (Start-up funding)

Participation in US\$26 million funding round for Uncapped (September 2020)

Anthemis, Connect Ventures, Northzone and Temasek (Open banking)

Participation in US\$25 million Series C funding round for TrueLayer (September 2020)

Coatue, Iconiq, Tiger Global, Whale Rock Capital, General Atlantic, Access Technology Ventures, Dragoneer and DST Global (Digital banking)

Participation in US\$485 million Series F funding round for Chime (September 2020)

GIC and Durable Capital Partners (POS finance)

Participation in US\$500 million Series G funding round for Affirm (September 2020)

Conviction Investment Partners (RegTech)

Participation in pre-Series A funding round for Konsensus (September 2020)

Truist Financial Corporation (Payments)

Participation in US\$31 million funding round for Veem (September 2020)

Silver Lake (Payments)

Participation in US\$650 million funding round for Klarna (September 2020)

Ribbit Capital (Online investing)

Participation in US\$21.4 million Series B funding round for Groww (September 2020)

Accel, Aleph, Bessemer Venture Partners, Coatue Management and General Catalyst (Payments)

Participation in US\$144 million funding round for Melio (September 2020)

Helios (Payments)

Participation in US\$60 million Series B funding round for Thunes (September 2020)

TVC (Payments)

Participation in €90 million Series B funding round for Mollie (September 2020)

CEFIF and Leapfrog Investments (InsurTech)

Participation in US\$30 million funding round for BIMA (September 2020)

Centerbridge (P2P lending)

Participation in US\$150 million funding round for Auxmoney (September 2020)

BlackRock, Vulcan Capital, PayPal Ventures and Endeavor Catalyst (Digital banking)

Participation in US\$300 million Series C funding round for Neon Pagamentos (September 2020)

Wells Fargo Strategic Capital, MVB Financial, Scale Venture Partners and Flint Capital (Digital ID)

Participation in US\$35 million funding round for Source (August 2020)

PSL Ventures, Mana Ventures and Western Technology Investment (Teen banking)

Participation in US\$4.3 million Seed funding round for Copper (August 2020)

Industrifonden, Brightly Ventures and Luminar Ventures (Payments)

Participation in €3 million Seed funding round for Open Payments (August 2020)

Apex Ventures (Online trading)

Participation in US\$1.25 million Seed funding round for Morpher (August 2020)

GBG (Digital risk scoring)

Participation in US\$7 Series A million funding round for CredoLab (August 2020)

finleap, VZB and SBI Investment (InsurTech)

Participation in €39 million Series A funding round for Element Insurance (August 2020)

D1 Capital Partners (Online trading)

Participation in US\$200 million Equity funding round for Robinhood (August 2020)

Fuel Ventures and Ascension Ventures (Landlord banking)

Participation in £1 million seed funding round for Hammock (August 2020)

Y Combinatory (B2P payments)

Successful US\$12 million Series A funding round for Routable (August 2020)

SBI Group, Augmentum Fintech and Mojo Capital (Digital mortgage lending)

Successful £35 million Series C funding round for Habito (August 2020)

Prytek (Data analytics)

Participation in US\$12 million equity funding round for TipRanks (August 2020)

Fairway Global Investment and Global Brain (RegTech)

Successful €6 million Seed funding round for Kompany (August 2020)

Disruptech (B2B e-commerce)

Participation in "seven-digit" Seed funding round for Fatura (August 2020)

Speedinvest (Neobanking)

Participation of €11 million Series A funding round for Bnext (August 2020)

CB Investment Management (Crypto trading)

Participation in €1 million Seed funding round for AltFINS (August 2020)

Financial sponsors hold their nerve

Khosla Ventures and Centana Growth Partners *(Credit for senior citizens)*

Participation in US\$35 million Series B funding round for True Link *(July 2020)*

Generation Investment Management, Owl Rock Capital, Stripes, DN Capital, Top Tier, Princeville Global and Threshold Ventures *(Payments)*

Participation in US\$85 million Debt Financing funding round for Remitly *(July 2020)*

D1 Capital Partners and Lone Pine Capital *(Money transfer)*

Participation in US\$319 equity funding round for TransferWise *(July 2020)*

Ontario Teachers' Pension Plan, Index Ventures and Balderton Capital *(RegTech)*

Participation in US\$50 million Series C funding round for ComplyAdvantage *(July 2020)*

Square Peg, Burda Principal Investments, Hubert Burda Media and Eight Roads Ventures *(WealthTech)*

Participation in US\$16 million Series C funding round for StashAway *(July 2020)*

TSG Consumer Partners *(Payments)*

Participation in US\$80 million Series D funding round for Revolut *(July 2020)*

Accenture Ventures, AlbionVC, British Patient Capital, Dawn Capital, Evolution Equity Partners and HSBC *(RegTech)*

Participation in US\$64.7 million Series C funding round for Quantexa *(July 2020)*

Global Founders Capital and Picus Capital *(SME lending)*

Participation in £42 million Series A funding round for Selina Finance *(July 2020)*

HV Holtzbrinck Ventures and Tengelmann Ventures *(WealthTech)*

Participation €50 million Series D funding round for Scalable Capital *(July 2020)*

AddVenture, Target Global and LVL1 *(InsurTech)*

Participation in US\$4.5 million Series B funding round for BestDoctor *(July 2020)*

Anthemis, K-fund and Encomenda Smart Capital *(Online savings)*

Participation in €5 million Series A funding round for Gion *(July 2020)*

Eight Roads, CNP and Breega *(WealthTech)*

Participation in £30 million Series C funding round for Moneybox *(July 2020)*

Avaloq, Giesecke+Devrient, Sicpa, Swiss Post, Swisscom and VC Investiere *(Cryptocurrency management)*

Participation in US\$17 million Series A funding round for Metaco *(July 2020)*

Milaya Capital

(Personal finance management) Participation in £15 million Venture funding round for Lanistar *(July 2020)*

Finleap, Zalando and Ey Ventures *(Digital debt collection)*

Participation in €2 million Series A funding round for Pair Finance *(July 2020)*

Coinbase Ventures, Digital Currency Group, Team8 and Digital Garage Lab Fund *(Cyber tech)*

Participation in US\$23 million Series A funding round for Curv *(July 2020)*

Global Founders Capital *(Employee finance)*

Participation in €5.6 million Seed funding round for Symmetrical.ai *(June 2020)*

Global Brain, Hegus, HV Holtzbrinck Ventures, Lakestar Samsung Catalyst Fund, SBI Group, Storm Ventures, Vulcan Capital and yabeo *(Digital banking)*

Participation in €60 million Series C funding round for SolarisBank *(June 2020)*

BlackFin Capital Partners *(Banking)*

Participation in US\$23 million Series B funding round for Memo Bank *(June 2020)*

Acquisitions:

Mid Europa Partners *(RegTech)*

Acquisition of Sage's Polish accounting software business *(December 2020)*

Elbrus Capital and Winter Capital *(Finance portal)*

Acquisition of Banki.ru *(November 2020)*

Nordic Capital *(RegTech)*

Acquisition of RegTech *(November 2020)*

Media4Ventures *(Payments)*

Acquisition of Satsipay *(August 2020)*

Advent *(Banking IT)*

Acquisition of 30% of Aareon *(August 2020)*

D1 Capital Partners *(Money transfer)*

Acquisition of c. 4% of TransferWise *(July 2020)*

Scaling-up fintech funds:

Augmentum Fintech *(UK)*

Successful £28 million fund raising *(October 2020)*

NFT Ventures *(Sweden)*

Acquisition of Collector Ventures 1 *(September 2020)*

Financial sponsors reap rewards

Indiabulls *(UK)*

Disposal of minority stake in OakNorth Bank *(September 2020)*

Other FIs pile in

Helvetia *(Digital banking)*

Participation in US\$5.5 million funding round for neon *(September 2020)*

Generali *(SME banking)*

Participation in €45 million Venture funding round for Progetto Banca Idea *(July 2020)*

Non-FIs & "Big Tech"

The Financial Stability Board report for G20 finance ministers and central bank governors proposed that regulatory frameworks in emerging markets and developing economies should be redrawn to reflect the size, scope and growth of Big Tech firms in financial services. *Finextra (October 2020)*

Macy's *(Payments & POS)*

Acquisition of minority stake in Klarna *(October 2020)*

NEC *(Financial software)*

Acquisition of Avaloq *(October 2020)*

Bouygues Telecom *(Payments IT)*

Acquisition of Euro-Information-Européenne de Traitement de L'information *(June 2020)*

Fintech, the 'enabler'— tackling social concerns

Clarity AI *(AI-enabled societal impact investing)*

Successful US\$15 million funding round, led by Deutsche Börse *(November 2020)*

Greenwood *(Digital banking for Black and Latinx customers)*

Successful US\$3 million seed funding round *(October 2020)*

Bullfinch Asset *(Green asset management)*

Successful funding round, led by Momeni Digital Ventures, Elevat3 Capital and EWE *(October 2020)*

Standard Chartered *(Mobile banking)*

Financial inclusion mobile financial services JV with Airtel *(August 2020)*

Deal highlight:

White & Case represented Klarna on its US\$650 million equity funding round, at a post-money valuation of US\$10.65 billion. Klarna is the highest-valued private fintech in Europe and the fourth-highest globally.

Deal highlight:

White & Case represented Habito, the UK's leading digital mortgage broker, on its £35 million Series C fundraising involving backing from the UK's Future Fund, which the Chancellor of the Exchequer introduced to support UK-based fast-growing businesses during the COVID-19 crisis.

Deal highlight:

White & Case represented Tink, a leading open banking platform provider, on its acquisitions of Instantor and OpenWrks' aggregation platform. Tink enables banks, fintechs and startups to develop data-driven financial services, connecting more than 2,500 banks that reach more than 250 million customers across Europe.

Businesses focussing on AML and cybersecurity are currently the hottest capital raise and deal candidates in the fintech segment. *Mergermarket (June 2020)*

Cyberattacks against the financial sector increased 238% globally from beginning-Feb 2020 to end-Apr 2020. *S&P Global (June 2020)*

Successful fundraisings:

tradefedr (FX trade analytics)
Successful US\$3 million funding round, led by IPGL (December 2020)

Lydia (Payments)
Successful €36 million Series B funding round, led by Accel (December 2020)

Five Degrees (Banking software)
Successful €22 million funding round, led by Velocity Capital FinTech Ventures (December 2020)

GoCardless (Payments)
Successful US\$95 million Series F funding round, led by Bain Capital Ventures (December 2020)

eXate (RegTech)
Minority equity investment from ING Ventures (December 2020)

NetGuardians (RegTech)
Successful €15.8 million funding round, led by Pictet Group and ACE & Company (December 2020)

Upvest (Securities API)
Successful US\$12 million Series A funding round, led by Notion Capital and HV Capital (December 2020)

Tink (Open banking)
Successful €85 million funding round (December 2020)

Cleo (Financial management app)
Successful US\$44 million Series B funding round, led by EQT Ventures (December 2020)

Synctera (Banking solutions for fintechs)
Successful US\$12.4 million seed funding round, led by Lightspeed (December 2020)

PhonePe (Payments)
Successful US\$700 million funding round (December 2020)

Updraft (Consumer credit)
Successful £16 million funding round, led by Quilam Capital (December 2020)

ReceiptHero (Digital receipts)
Successful €2 million seed funding round, led by Lifeline Ventures (December 2020)

Pockit (Pre-paid debit cards)
Successful £15 million Series B crowdfunding round (December 2020)

Amount (BaaS)
Successful US\$81 million Series C funding round, led by Goldman Sachs (December 2020)

Ziglu (Payments)
Successful £6 million crowd funding round (December 2020)

GoHenry (Child-friendly pre-paid debit cards)
Successful US\$40 million equity funding round, led by Gaia Capital Partners, Edison Partners and Citi Ventures (December 2020)

Primer (Payments)
Successful £14 million Series A funding round, led by Accel (November 2020)

Monzo Bank (Digital banking)
Successful £250 million Series G round (November 2020)

Cashfree (Payments)
Successful US\$35.5 million Series B funding round, led by Apis Growth (November 2020)

Chainalysis (DLT analytics)
Successful US\$100 million Series C funding round, led by Addition (November 2020)

Chipper Cash (Payments)
Successful US\$30 million Series B funding round, led by Ribbit Capital (November 2020)

Satispay (Payments)
Successful €93 million funding round, led by Square, Tencent, LGT Lightsone and TIM Ventures (November 2020)

Stanhope Financial (SME banking)
Successful US\$3.5 million funding round (November 2020)

Modulr (Payments)
Successful £9 million investment by PayPal Ventures (November 2020)

Mintos (Online marketplace)
Successful US\$5.3 million crowd funding round (November 2020)

Griffin (API-based banking)
Successful £6.5 million funding round (November 2020)

Glint Pay (WealthTech)
Successful £2.5 million funding round (November 2020)

Railsbank (Open banking)
Successful US\$37 million funding round, led by MiddleGame Ventures and Ventura Capital (November 2020)

Lightico (Automation)
Successful US\$13 million funding round, led by Oxx (November 2020)

LinkAja (Payments)
Successful US\$100 million funding round, led by Grab (November 2020)

Aidexa (SME banking)
Successful US\$45 million seed funding round (November 2020)

Vivid Money (Mobile banking)
Successful US\$15 million Series A funding round, led by Ribbit Capital (November 2020)

Score & Secure Payment (Payments)
Successful €6 million funding round, led by CegeDim (November 2020)

Jiko (Personal finance)
Successful US\$40 million Series A funding round (October 2020)

Transcend (Data analytics)
Successful US\$10 million Series A funding round, led by Nyca Partners (October 2020)

Keyrock (Crypto trading)
Successful US\$4.3 million funding round, led by SIX Fintech Ventures and MiddleGame Ventures (October 2020)

Gig Wage (Gig economy finance)
Successful US\$7.5 million Series A funding round, led by Green Dot (October 2020)

PrimaryBid (Online investment platform)
Successful US\$50 million Series B funding round, led by LSE, Draper Esprit, OMERS Ventures, Fidelity International Strategic Ventures and ABN Amro Ventures (October 2020)

DriveWealth (Online trading)
Successful US\$56.7 million Series C funding round, led by Point72 Ventures (October 2020)

Lunar (Online banking)
Successful US\$40 million Series C funding round, from existing investors (October 2020)

Lili (Mobile banking for freelancers)
Successful US\$15 million Series A funding round, led by Group 11 (October 2020)

M1 Finance (Online trading)
Successful US\$45 million Series C funding round, led by Left Lane Capital (October 2020)

Razorpay (Payments)
Successful US\$100 million Series D funding round, led by GIC and Sequoia (October 2020)

Greenwood (Digital banking for Black and Latinx customers)
Successful US\$3 million seed funding round (October 2020)

B-North (Digital banking)
Successful £1 million bridge funding round by/subscription for 5.7% of B-North (October 2020)

Molo Finance (Online mortgages)
Successful US\$266 million Series A funding round, led by Macquarie Group and Patron Capital (October 2020)

AccessFintech (RegTech)
Successful US\$20 million Series B funding round, led by Dawn Capital (October 2020)

Advinans (Digital investment advice)
Successful funding round (October 2020)

MineralTree (Accounts payable automation)
Successful US\$50 million Series D funding round, led by Great Hill Partners, .406 Ventures and Eight Roads Ventures (September 2020)

Greenlight Financial Technology (Child-friendly debit cards)
Successful US\$215 million Series C funding round, led by Canapi Ventures and TTV Capital (September 2020)

Petal (Consumer credit)
Successful US\$55 million Series C funding round, led by Valar Ventures (September 2020)

Uncapped (Start-up funding)
Successful US\$26 million funding round, led by Mouro Capital (September 2020)

TrueLayer (Open banking)
Successful US\$25 million Series C funding round, led by Anthemis, Connect Ventures, Northzone and Temasek (September 2020)

Chime (Digital banking)
Successful US\$485 million Series F funding round, led by Coatue, Iconiq, Tiger Global, Whale Rock Capital, General Atlantic, Access Technology Ventures, Dragoneer and DST Global (September 2020)

Affirm (POS finance)
Successful US\$500 million Series G funding round, led by GIC and Durable Capital Partners (September 2020)

Konsensus (RegTech)
Pre-Series A funding round, led by Conviction Investment Partners (September 2020)

Veem (Payments)
Successful US\$31 million funding round, led by Truist Financial Corporation (September 2020)

Klarna (Payments)
Successful US\$650 million funding round, led by Silver Lake (September 2020)

Groww (Online investing)
Successful US\$21.4 million Series B funding round, led by Ribbit Capital (September 2020)

Fintech scale-up amidst COVID-19 uncertainty

Melio (Payments)

Successful US\$144 million funding round, led by Accel, Aleph, Bessemer Venture Partners, Coatue Management and General Catalyst (September 2020)

Thunes (Payments)

Successful US\$60 million Series B funding round, led by Helios (September 2020)

Mollie (Payments)

Successful €90 million Series B funding round, led by TVC (September 2020)

BIMA (InsurTech)

Successful US\$30 million funding round, led by CEFIF, Leapfrog Investments and Allianz X (September 2020)

Auxmoney (P2P lending)

Successful US\$150 million funding round, led by Centerbridge (September 2020)

Neon Pagamentos (Digital banking)

Successful US\$300 million Series C funding round, led by General Atlantic (September 2020)

neon (Digital banking)

Successful US\$5.5 million funding round, led by Helvetia (September 2020)

Source (Digital ID)

Successful US\$35 million funding round, led by MVB Financial and Commerce Ventures (August 2020)

Copper (Teen banking)

Successful US\$4.3 million Seed funding round, led by PSL Ventures (August 2020)

Open Payments (Payments)

Successful €3 million Seed funding round, led by Industrifonden (August 2020)

BlockFi (Cryptocurrency finance)

Successful US\$50 million funding round, led by Morgan Creek Digital (August 2020)

Morpher (Online trading)

Successful US\$1.25 million Seed funding round, led by Apex Ventures (August 2020)

CredoLab (Digital risk scoring)

Successful US\$7 million Series A funding round, led by GBG (August 2020)

Element Insurance (InsurTech)

Successful €39 million Series A funding round, led by finleap (August 2020)

Robinhood (Online trading)

Successful US\$200 million Equity funding round, led by D1 Capital Partners (August 2020)

Routable (B2B payments)

Successful US\$12 million Series A funding round, led by Y Combinator (August 2020)

Habito (Digital mortgage lending)

Successful €35 million Series C funding round, led by SBI Group, Augmentum Fintech and Mojo Capital (August 2020)

TipRanks (Data analytics)

Successful US\$12 million equity funding round, led by Prytek (August 2020)

Sync. (Open banking)

Successful £5.5 million Seed funding round (August 2020)

Kompany (RegTech)

Successful €6 million Seed funding round, led by Fairway Global Investment and Global Brain (August 2020)

Fatura (B2B e-commerce)

Successful 'seven-digit' seed funding round, led by Disruptech (August 2020)

Bnext (Neobanking)

Successful €11 million Series A funding round, led by Speedinvest (August 2020)

True Link (Credit for senior citizens)

Successful US\$35 million Series B funding round, led by Khosla Ventures and Centana Growth Partners (July 2020)

Remitly (Payments)

Successful US\$85 million Debt Financing funding round, led by PayU (July 2020)

ComplyAdvantage (RegTech)

Successful US\$50 million Series C funding round, led by Ontario Teachers' Pension Plan (July 2020)

StashAway (WealthTech)

Successful US\$16 million Series C funding round, led by Square Peg (July 2020)

Revolut (Payments)

Successful US\$80 million Series D funding round, led by TSG Consumer Partners (July 2020)

Quantexa (RegTech)

Successful US\$64.7 million Series C funding round, led by Evolution Equity Partners (July 2020)

Selina Finance (SME lending)

Successful £42 million Series A funding round, led by Global Founders Capital and Picus Capital (July 2020)

Scalable Capital (WealthTech)

Successful €50 million Series D funding round, led by BlackRock, HV Holtzbrinck Ventures and Tengelmann Ventures (July 2020)

Episode Six (Payments management)

Successful US\$7 million Series A funding round, led by HSBC (July 2020)

BestDoctor (InsurTech)

Successful US\$4.5 million Series B funding round, led by AddVenture and Target Global (July 2020)

Gion (Online savings)

Successful €5 million Series A funding round, led by Anthemis, K-fund and Encomenda Smart Capital (July 2020)

Moneybox (WealthTech)

Successful £30 million Series C funding round, led by Eight Roads and CNP (July 2020)

Lanistar (Personal finance management)

Successful £15 million Venture funding round, led by Milaya Capital (July 2020)

Progetto Banca Idea (SME banking)

Successful €45 million Venture funding round, led by Generali (July 2020)

Pair Finance (Digital debt collection)

Successful €2 million Series A funding round, led by Finleap (July 2020)

Fintech scale-up amidst COVID-19 uncertainty

Curv (Cyber tech)

Successful US\$23 million Series A funding round, led by CommerzVentures (July 2020)

Symmetrical.ai (Employee finance)

Successful €5.6 million seed funding round, led by Global Founders Capital (June 2020)

SolarisBank (Digital banking)

Successful €60 million Series C funding round, led by HV Holtzbrinck Ventures (June 2020)

Modex (Mobile money transfer)

Successful US\$50 million Series B funding round, led by Rothschild (June 2020)

Memo Bank (Banking)

Successful US\$23 million Series B funding round, led by BlackFin Capital Partners (June 2020)

JVs:

Klarna (Payments & POS)

E-commerce partnership with Macy's (October 2020)

Supply@ME Capital (Inventory monetisation)

Shari'a-compliant inventory monetisation JV with iMass (August 2020)

Inorganic growth:

Wahed Invest (Islamic banking app)

Acquisition of Niyah (December 2020)

Buckaroo (Payments)

Acquisition of Sisow (December 2020)

Etops (WealthTech)

Acquisition of Evolute (December 2020)

Paynetics (Payments)

Acquisition of Wirecard's UK and Ireland corporate payout card portfolio (October 2020)

Prism Advance Solutions (Payments)

Acquisition of Finabl (October 2020)

Tm-Pro (Digital banking)

Acquisition of MoneYou Go (September 2020)

MineralTree (Accounts payable automation)

Acquisitions of Inspyrus and Regal Software (September 2020)

Tink (Open banking)

Acquisition of OpenWrks' account aggregation business (September 2020)

Ohpen (Cloud-based banking)

Acquisition of Davinci (September 2020)

Jiko (Banking)

Acquisition of Mid-Central National Bank (September 2020)

IDnow (Identity verification)

Acquisition of Wirecard Communication Services from Wirecard (September 2020)

FINEOS (Insurance software-as-a-service)

Acquisition of Limelight Health (August 2020)

UCapital24 (Robo-advisory)

Acquisition of SelfieWealth (August 2020)

NIH (Payments)

Acquisition of DPO Group (July 2020)

Paysafe (Payments)

Acquisition of Openbucks (July 2020)

PIB (InsurTech)

Acquisition of UKInsuranceNET (July 2020)

Tink (Cloud-based infrastructure)

Acquisition of Instantor (July 2020)

Top-down support for fintech continues

UK Government

Launch of UK Department for International Trade's Leading Edge programme (December 2020)

UK Future Fund

£2 million grant to Billon (August 2020)

Banking Competition Remedies Board

£30 million Pool E financing for Funding Xchange, Onfido, Codat, ezbob, Fractal Labs and Previsio (August 2020)

Fintech Scotland

Award of £22.5 million to launch Global Open Finance Centre of Excellence (June 2020)

ICOs / Cryptocurrencies

Support
for cryptos
continues

Fintechs:

PayPal

Successful application for New York State Department of Financial Services 'Bitlicense' (October 2020)

Square

Successful US\$50 million investment in Bitcoin (October 2020)

FIs:

Banca Generali

(Cryptocurrency services)
Acquisition of minority stake in Conio (December 2020)

Exberry (Digital asset trading)

Digital asset trading end-to-end infrastructure JV with Digital Asset (August 2020)

SBI Holdings

(Digital asset trading)
Acquisition of US\$30 million minority interest in B2C2 (July 2020)

Financial sponsors:

SIX Fintech Ventures and MiddleGame Ventures

(Crypto trading)
Participation in US\$4.3 million funding round for Keyrock (October 2020)

Valar Ventures

(Crypto marketplace)
Participation in US\$52 million funding round for Bitpanda (September 2020)

Morgan Creek Digital, Valar Ventures, CMT Digital and Castle Island Ventures

(Cryptocurrency finance)
Successful US\$260 million raising of Vision fund (August 2020)

AltFINS (Crypto trading)

Successful €1 million Seed funding round, led by CB Investment Management (August 2020)

Metaco

(Cryptocurrency management)
Successful US\$17 million Series A funding round, led by Giesecke+Devrient (July 2020)

Market
participants
seeking scale

SBI Holdings

(Cryptocurrency trading)
Acquisition of B2C2 (December 2020)

Arcane Crypto

(Cryptocurrency trading)
Acquisition of Kaupang Krypto (October 2020)

Bitpanda (Crypto marketplace)

Successful US\$52 million funding round, led by Valar Ventures (September 2020)

Digital Currency Group

(Bitcoin wallet)
Acquisition of Luno (September 2020)

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