The Global Fintech Report: Q3’17

A comprehensive, data-driven look at global financial technology investment trends, top deals, active investors, and corporate activity.
The technology market intelligence platform.

CB Insights software lets you predict, discuss and communicate emerging technology trends using data in ways that are beyond human cognition.
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“Think of the fundamental value chain of venture capital ... If we play the clock forward, the finding and assessing of investments will be almost entirely done by technology, not human beings. And the company that is today positioned to be the market leader in that evolution is CB Insights.”

Pat Grady
Sequoia, Partner
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WHAT THIS REPORT COVERS

While fintech covers a diverse array of companies, business models, and technologies, companies generally fall into several key verticals, including:

**Lending tech**: Lending companies on the list primarily include peer-to-peer lending platforms as well as underwriter and lending platforms using machine learning technologies and algorithms to assess creditworthiness.

**Payments/billing tech**: Payments and billing tech companies span from solutions to facilitate payments processing to payment card developers to subscription billing software tools.

**Personal finance/wealth management**: Tech companies that help individuals manage their personal bills, accounts and/or credit, as well as manage their personal assets and investments.

**Money transfer/remittance**: Money transfer companies include primarily peer-to-peer platforms to transfer money between individuals across countries.

**Blockchain/bitcoin**: Companies here span key software or technology firms in the distributed ledger space, ranging from bitcoin wallets to security providers to sidechains.

**Institutional/capital markets tech**: Companies providing tools to financial institutions such as banks, hedge funds, mutual funds, or other institutional investors. These range from alternative trading systems to financial modeling and analysis software.

**Equity crowdfunding**: Platforms that allow a collection of individuals to provide monetary contributions for projects or companies provisioned in the form of equity.

**Insurance tech**: Companies creating new underwriting, claims, distribution, and brokerage platforms, enhanced customer experience offerings, and software-as-a-service to help insurers deal with legacy IT issues.
SUMMARY OF FINDINGS

VC-backed fintech companies raise $4B across 278 deals globally in Q3’17: Deals to global VC-backed fintech companies deals held steady in Q3’17, but global fintech funding in Q3’17 dipped 25% from Q2’17’s record. If the current run rate holds steady in Q4’17, global fintech investment dollars and deal activity could top new highs in 2017.

25 fintech unicorns globally valued at $75.7B: Q3’17 saw 1 new fintech unicorn, 1 fintech unicorn go public, and 1 fintech unicorn raise a down round. Coinbase entered the club at a $1.56B valuation, while Zhong An Insurance, previously valued at $8B, went public at the end of Q3’17. Q3’17 also saw alternative lender Prosper, previously valued at $1.77B, raise a down round at a valuation of $550M.

Fintech $50M+ rounds remain strong in Q3’17: There were 18 $50M+ financing rounds to VC-backed fintech companies in Q3’17, tied with Q2’17’s record of 18.

US early-stage fintech deals, dollars fall in Q3’17: Seed / angel and Series A deals to VC-backed fintech companies in the US dropped for the fourth consecutive quarter to a five-quarter low in Q3’17.

Europe fintech deals and funding set annual record in Q3’17: VC-backed fintech companies in Europe crossed 216 deals worth $1.8B in funding through Q3’17, already setting new annual records in 2017. If the current pace persists, Europe VC-backed fintech funding could break the $2B mark in 2017.

Asia fintech deals are on pace for a new record: Asia maintained a strong investment pace in Q3’17, adding 77 deals. Total fintech deals grew to 203, 10 deals shy of surpassing 2016’s record. Funding crossed $5B and is on pace for a record year. At the current run rate, Asia deals to VC-backed fintech companies in 2017 are on pace to rise 29% from 2016.

US is on pace to see fintech deals drop in 2017: At the current run rate, deals to US VC-backed fintech companies are set to fall below 2014’s total. US fintech funding in 2017 could surpass 2016’s year-end total of $5.7B, but will likely still drop below 2015’s high of $8B.

Note: Report focuses on all equity rounds to VC-backed fintech companies. This report does not cover companies funded solely by angels, private equity firms or any debt, secondary or line of credit transactions. All data is sourced from CB Insights. Page 58 details the rules and definitions we use.
In Q3 2017, global VC-backed fintech startups raised $4 BILLION across 278 DEALS.
Through Q3’17, deals to VC-backed fintech startups are already 6% higher than in all of 2014. Though Q3’17 fintech funding lagged behind Q2’17’s record, it was still a significant quarter, with over $3.9B invested. If the pace of investment remains steady in Q4’17, both deals and funding are projected to hit record highs by year end.
Quarterly global financing trend to VC-backed fintech companies

Q3’12 - Q3’17

Global VC-backed fintech deals keeps pace with Q2’17 high

Deals to global VC-backed fintech companies deals held steady in Q3’17, but global fintech funding in Q3’17 dipped 25% from Q2’17’s record.
Fintech Series B and Series E+ deal share hit five-quarter high

Series B fintech deal share grew to 15% and Series E+ grew to 6% of fintech deal share in Q3’17, both five-quarter highs.

Early-stage (seed / angel and Series A) activity took 55% of deal share in Q3’17, a five quarter low. Global Series A fintech deal share dipped to 22% in Q3’17 from 27% in Q2’17.
Global early-stage fintech funding fell 12% to $682M, while deals dipped to 154 in Q3’17.

Q3’17 was still the second-highest quarter for early-stage fintech funding since the start of 2012, as median early-stage deal sizes have grown over the last two quarters.
Median early-stage fintech deal size rises for second consecutive quarter in Q3’17

Median early-stage (seed / angel and Series A) deal size for VC-backed fintech companies rose to $2.9M in Q3’17 from $2.2M in Q1’17 and $2.7M in Q2’17.
Global median late-stage fintech deal size surges to five-quarter high in Q3’17

The median late-stage fintech deal size in Q3’17 hit a five-quarter high of $40M on the back of 17 $50M+ investments.

Median late-stage fintech deal size grew 29% on a quarterly basis in Q3’17.
Fintech deals in North America and Europe rise in Q3’17

North America saw deal activity to VC-backed fintech companies rise 13% on a quarterly basis in Q3’17 and accounted for 45% of quarterly global deals.

Europe and Asia both saw deals to VC-backed fintech companies hold steady on a quarterly basis in Q3’17.
North America reclaims top spot in fintech funding in Q3’17

North America saw funding to VC-backed fintech companies hit $2B in Q3’17, accounting for approximately 50% of total quarterly global funding.

Asia saw fintech funding drop to $1.4B in Q3’17 after Softbank’s $1.4B investment to Paytm parent One97 Communications buoyed Q2’17’s Asia total.
### Most active VC investors in global fintech companies

**Q3’16 – Q3’17**

<table>
<thead>
<tr>
<th>Rank</th>
<th>Investor</th>
<th>Rank</th>
<th>Investor</th>
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</thead>
<tbody>
<tr>
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<td>500 Startups</td>
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<td>Anthemis Group</td>
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<td>2</td>
<td>Ribbit Capital</td>
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<td>Nyca Partners</td>
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<td>New Enterprise Associates</td>
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<td>Google Ventures</td>
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<td>Union Square Ventures</td>
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<td>Bessemer Ventures Partners</td>
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<td>SpeedInvest</td>
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<td>Draper Associates</td>
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<td>7</td>
<td>Accel Partners</td>
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</tbody>
</table>

**500 startups and Ribbit Capital are most active global fintech investors**

500 Startups and Ribbit Capital are the most active VCs in terms of unique fintech investments over the last five quarters.

Recent investments by fintech-focused Ribbit Capital include Europe-based digital banking startup Revolut and mortgage startup Habito, and, in India, business loan startup Capital Float.
Corporate participation in fintech deals hits five-quarter low in Q3’17

Corporate investors and their venture arms slowed down their participation in VC-backed fintech deals in Q3’17, while VC and others investors picked up the pace.

Corporate participation dipped to 24% from 29% in the same quarter last year.
In Q3’17, Asia saw 6 VC-backed fintech companies raise $50M+ rounds, a five-quarter high. Combined, Asian $50M+ fintech deals were worth $864M of funding.

North America saw 10 $50M+ deals, 2 less than Q2’17, worth $908M in combined funding.
Last quarter saw 1 new fintech company enter the unicorn club: Coinbase. Meanwhile former unicorn Prosper saw its valuation more than halve from $1.8B in Q2’15 to only $550M in Q3’17.

Q3’17 also saw Asia fintech unicorn Zhong An Insurance go public at a $10B valuation.
Deals to VC-backed insurance tech startups hit five-quarter low

In Q3’17 deals to VC-backed insurance tech companies dropped to 34, a five-quarter low.

Funding dropped 54% after a record spike in Q2’17, driven by several large $50M+ investments.

CompareAsiaGroup raised the top insurance tech deal, a $90M Series B that was the only $50M+ deal in Q3’17.
Deals to VC-backed wealth tech startups dip in Q3’17

Deals and funding to VC-backed wealth tech companies dipped in Q3’17.

Funding dropped 49% after a spike in Q2’17.

The top investment in Q3’17 was $70M Series E to robo-advisor Betterment, which valued the company at $800M.
Deals and funding to VC-backed blockchain companies hit five-quarter high in Q3’17

Q3’17 saw 35 deals to VC-backed blockchain and bitcoin startups, rebounding from a temporary dip in Q2’17.

Funding to VC-backed blockchain and bitcoin startups grow 24% on a quarterly basis. 30% of Q3’17 funding was driven by a $100M Series D mega-round to newly-minted unicorn startup Coinbase.
In Q3 2017, US VC-backed fintech startups raised $1.9 BILLION across 111 DEALS.
US fintech funding on pace to surpass 2016’s total by year end

At the current run rate, deals to US VC-backed fintech companies are set to fall below 2014’s total, but US fintech funding in 2017 could surpass 2016’s year-end total of $5.7B.
US VC-backed fintech deals rebound in Q3’17

In Q3’17, deals to US VC-backed fintech companies rose 11%, recovering after 2 consecutive quarterly dips.

Funding hit $1.9B, driven by 10 $50M+ financing rounds, including deals to small business lender Kabbage and newly-minted unicorn Coinbase.
US quarterly global fintech deal share by stage
Q3’16 - Q2’17

US Series A deal share falls to five-quarter low

In Q3’17, mid-stage (Series B / Series C) and late-stage (Series D+) deal share hit new highs in Q3’17, driven by an uptick in Series B deal share to 16% and Series E+ to 11% of deals.

Series A deal share in the US fell to a five-quarter low of 18%, down from 31% in Q2’17.
Early-stage US fintech deals and funding drop to five-quarter low in Q3’17

Seed / angel and Series A deals to VC-backed fintech companies in the US dropped for the fourth consecutive quarter to a five-quarter low in Q3’17.

Funding dropped 57% on a quarterly basis, driven by a drop-off in Series A deals in Q3’17.
US early-stage fintech deal size grows in Q3’17

After 2 consecutive quarterly dips in the first half of 2017, the median early-stage fintech deal size grew to $3.3M in Q3’17, up 38% from the same quarter a year prior.
US median late-stage fintech deal size hits a five-quarter high in Q3'17

The median late-stage fintech deal size rose to $45M in Q3’17 from $39M in Q2’17.

The spike came on the back of a spate of large later-stage fintech investments, including a $250M Series F to small business lender Kabbage and a $100M Series D to mortgage lending firm Blend.
US sees six $100M+ fintech deals to VC-backed companies in Q3’17

The top deal in Q3’17 went to Kabbage, which raised a $250M Series F from SoftBank.

Another top deal went to cryptocurrency exchange Coinbase, which raised a $100M Series D led by Greylock Partners.

A $126M investment to point-of-sale lending startup Bread was made up of a combination of debt and equity.

<table>
<thead>
<tr>
<th>Company</th>
<th>Round</th>
<th>State</th>
<th>Select Investors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kabbage</td>
<td>$250M (Series F)</td>
<td>Georgia</td>
<td>BlueRun Ventures, Reverence Capital Partners, SoftBank Group, Thomvest Ventures, Wildcat Venture Partners</td>
</tr>
<tr>
<td>Upserve</td>
<td>$151M (Private Equity)</td>
<td>Rhode Island</td>
<td>Vista Equity Partners</td>
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<tr>
<td>Bread</td>
<td>$126M (Series B)</td>
<td>New York</td>
<td>Bessemer Venture Partners, Menlo Ventures, RRE Ventures</td>
</tr>
<tr>
<td>Toast</td>
<td>$101M (Series C)</td>
<td>Boston</td>
<td>Bessemer Venture Partners, Generation Investment Management, Lead Edge Capital</td>
</tr>
<tr>
<td>Blend</td>
<td>$100M (Series D)</td>
<td>California</td>
<td>8VC, Emergence Capital Partners, Greylock Partners, Lightspeed Venture Partners, Nyca Partners</td>
</tr>
<tr>
<td>Coinbase</td>
<td>$100M (Series D)</td>
<td>California</td>
<td>Battery Ventures, Draper Associates, Greylock Partners, Institutional Venture Partners, Section 32, Spark Capital</td>
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<tr>
<td>Betterment</td>
<td>$70M (Series E-II)</td>
<td>New York</td>
<td>Bessemer Venture Partners, Francisco Partners, Kinnevik, Menlo Ventures</td>
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<tr>
<td>Raise</td>
<td>$60M (Series c)</td>
<td>Illinois</td>
<td>Accel Partners, Bessemer Venture Partners, New Enterprise Associates, PayPal</td>
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<tr>
<td>Prosper</td>
<td>$50M (Growth Equity)</td>
<td>California</td>
<td>FinEX Asia</td>
</tr>
<tr>
<td>Highradius</td>
<td>$50M (Growth Equity)</td>
<td>Texas</td>
<td>Susquehanna Growth Equity</td>
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</table>
Corporates pull back participation in US fintech deals

After participating in over one-third of all VC-backed fintech deals in the US in Q2’17, corporates slowed down their participation in deals to US VC-backed fintech companies, with corporate participation falling to 26% in Q3’17.
NEA and a16z are the most active US fintech investors

New Enterprise Associates was the most active VC investor in US VC-backed fintech companies over the last five quarters, followed by Andreessen Horowitz.

Recent fintech investments by Andreessen Horowitz include deals to Cadre, PeerStreet, Activehours, Propel, and OpenInvest.
California fintech deals rebound slightly in Q3’17

In Q3’17, California saw VC-backed fintech deals grow 13%, but saw funding dip 23% on a quarterly basis.

Fintech deals in California were down 22% compared to the same quarter a year prior.
New York fintech deals and funding hit five-quarter high in Q3’17

Funding to New York fintech companies increased 36% on a quarterly basis on the back of a spate of $50M+ investments, including Bread and Betterment.
In Q3 2017, Europe VC-backed fintech startups raised $538 MILLION across 65 DEALS.
Deals and funding to VC-backed Europe fintech set annual record in Q3’17

In 2017 YTD, VC-backed fintech companies in Europe have crossed 216 deals worth $1.8B, setting new annual records for both deals and funding.

If the current pace persists, Europe VC-backed fintech funding could break the $2B mark in 2017.
Europe VC-backed fintech deals remain nearly flat in Q2’17

Europe VC-backed fintech companies raised $538M across 65 deals in Q3’17, the third-consecutive quarter of 60 or more fintech deals in the continent.
In Q3’17, fintech seed / angel deal share rebounded to hit 45% from 31% in Q2’17, while Series A deal share dipped to 17%, a five-quarter low.

Late-stage (Series D+) fintech deal share in Europe stood at 8% in Q3’17, a five-quarter high.
Europe early-stage financing trend to VC-backed fintech companies

Q3’16 – Q3’17

Europe seed / angel and Series A deals to VC-backed fintech companies grew 11%, while fintech funding grew 12% on a quarterly basis in Q3’17.

Early-stage fintech deals in Europe were bolstered by a surge in seed / angel deals, which accounted for approximately 73% of early-stage deals in Q3’17.
Median Europe early-stage deal size grows for second consecutive quarter in Q3’17

Median early-stage fintech deal size in Europe grew to $2.6M in Q3’17, up 18% on a quarterly basis.

Though Q3’17 was the second consecutive quarter that median Europe early-stage deal size grew, median early-stage deal size in Q3’17 was down 24% compared to the same quarter last year.
The top 10 VC-backed fintech startups raised approximately $344M in total funding.

80% of the top 10 deals in Q3’17 in Europe went to fintech companies based in the United Kingdom.

Europe saw two $50M+ fintech investments in Q3’17 including a $66M investment to Revolut and a $50M investment to Receipt Bank.

### Top 10 Europe VC-backed fintech deals

**Q3’17**

<table>
<thead>
<tr>
<th>Company</th>
<th>Round</th>
<th>Country</th>
<th>Select Investors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revolut</td>
<td>$66M (Series B)</td>
<td>United Kingdom</td>
<td>Balderton Capital, Index Ventures, Ribbit Capital</td>
</tr>
<tr>
<td>receipt bank</td>
<td>$50M (Series B)</td>
<td>United Kingdom</td>
<td>Insight Venture Partners</td>
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<tr>
<td>younited credit.</td>
<td>$47.8M (Series E)</td>
<td>France</td>
<td>AG2R la Mondiale, BPI France, Credit Mutuel Arkea, Eurazeo, Matmut, Weber Investissements, Zencap AM</td>
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<tr>
<td>Prodigy Finance</td>
<td>$40M (Series C)</td>
<td>United Kingdom</td>
<td>Undisclosed Investors</td>
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<td>onfido</td>
<td>$30M (Series C)</td>
<td>United Kingdom</td>
<td>Crane Venture Partners, Microsoft Ventures, Salesforce Ventures</td>
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<td>capital com</td>
<td>$25M (Undisclosed)</td>
<td>Cyprus</td>
<td>Larnabel Enterprises, VP Capital</td>
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<td>Rimilia</td>
<td>$25M (Series A)</td>
<td>United Kingdom</td>
<td>Eight Roads Ventures, Kennet Partners</td>
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<td>HABITÒ</td>
<td>$24M (Series b)</td>
<td>United Kingdom</td>
<td>Atomico, Mosaic Ventures, Revolutionary (Ad)Ventures, Ribbit Capital</td>
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<tr>
<td>GOCARDLESS</td>
<td>$22.5M (Series D)</td>
<td>United Kingdom</td>
<td>Accel Partners, Balderton Capital, Notion Capital, Passion Capital</td>
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<tr>
<td>Tide</td>
<td>$14M (Series A)</td>
<td>United Kingdom</td>
<td>Anthemis Group, Creandum, LocalGlobe, Passion Capital</td>
</tr>
</tbody>
</table>
CVC participation in Europe deals to VC-backed fintech companies

Q3’16 – Q3’17

Europe fintech sees corporate participation hit five-quarter low in Q3’17

Corporate participation in Europe VC-backed fintech deals fell for a third consecutive quarter to 22% in Q3’17.
### Most active VC investors in Europe VC-backed fintech companies

Q3’16 – Q3’17

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<th>Rank</th>
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<th>Investor</th>
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<tr>
<td>1</td>
<td>SpeedInvest</td>
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<td>Passion Capital</td>
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<td>2</td>
<td>Anthemis Group</td>
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<td>Creandum</td>
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<td>3</td>
<td>Index Ventures</td>
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<td>Earlybird Venture Capital</td>
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<td>4</td>
<td>Seedcamp</td>
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<td>Global Founders Capital</td>
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<td>NFT Ventures</td>
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<td>Dieter von Holtzbrinck Ventures</td>
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<td>Balderton Capital</td>
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<tr>
<td>8</td>
<td>Accel Partners</td>
<td>14</td>
<td>Valar Ventures</td>
</tr>
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</table>

SpeedInvest was the most active VC investor in Europe-based fintech companies over the last five quarters. The top 3 was rounded out by Anthemis Group and Index Ventures.
UK fintech deals and investments hit a five-quarter high in Q3’17

UK VC-backed fintech investments rose to 37 deals worth $358M, a five-quarter high. UK deals and funding accounted for approximately half of Europe’s total VC-backed fintech investments.

UK deals and dollars both more than doubled on a quarterly basis, after a temporary dip in Q2’17.
German fintech deals and funding see big drop in Q3’17

After a huge Q2’17, German VC-backed fintech funding fell 77% on a quarterly basis, while VC-backed deals halved on a quarterly basis in Q3’17.
In Q3 2017, Asia VC-backed fintech startups raised $1.4 BILLION across 77 DEALS.
Asia annual global financing trend to VC-backed fintech companies ($B)
2012 – 2017 (Q3’17)

Asia fintech deals and funding are on track set records in 2017

Asia maintained a strong investment pace in Q3’17 adding 77 deals. Total fintech deals grew to 203, 10 deals shy of 2016’s record. Funding crossed $5B and is on pace for a record year.

At the current run rate, Asia deals to VC-backed fintech companies in 2017 are on pace to rise 29% from 2016.
Asia fintech deals hold steady, while funding drops in Q3'17

Asia VC-backed fintech companies raised $1.4B across 77 deals in Q3'17. Funding fell 48% on a quarterly basis, despite deals remaining above 70 for the second consecutive quarter.
In Q3’17, seed / angel fintech deal share in Asia fell to 34% from 38% in Q2’17, while Series A deal share grew to a four-quarter high at 29%.

Series E+ fintech deals in Asia claimed 4% of deal share, a five-quarter high.
Asia early-stage fintech financing trend to VC-backed fintech companies
Seed - Series A, Q3'16 – Q3'17

Asia early-stage fintech financing hits five-quarter high in Q3’17

Asia VC-backed early-stage fintech companies saw $302M invested across 48 deals in Q3’17.

Q3’17 saw 1 early-stage mega-deal to TNG FinTech, a $115M Series A that accounted for 38% of early-stage fintech funding across the continent.
Asia fintech early-stage deal size

Q3’16 – Q3’17

Median deal size dips in Q3’17

Q3’17 saw early-stage median deal size drop to $2.5M in Q3’17 from $2.9M in Q2’17.

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<th>Quarter</th>
<th>Median Deal Size ($M)</th>
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<td>Q3’16</td>
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<td>Q1’17</td>
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<td>Q2’17</td>
<td>$2.9</td>
</tr>
<tr>
<td>Q3’17</td>
<td>$2.5</td>
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</table>
China and India dominate top Asia fintech deals in Q3’17

Half of the top 10 deals to Asia-based fintech companies in Q3’17 were worth over $100M.

Eight of the top 10 largest fintech deals over the quarter went to companies based in either India or China.

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<thead>
<tr>
<th>Company</th>
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<th>Country</th>
<th>Select Investors</th>
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<tr>
<td>janalakshmi</td>
<td>$161 (Series F)</td>
<td>India</td>
<td>QRG Enterprises, TPG Capital, Tree Line Asia, Vallabh Bhanvili</td>
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<td>Dashu 大数金融</td>
<td>$117.6 (Series D)</td>
<td>China</td>
<td>Everbright Financial Holdings, PAG, Primavera Capital Group, Sequoia Capital China</td>
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<td>TNG Fintech Group</td>
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<td>KBR Capital Partners, NewMargin Ventures, Nogole Group</td>
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<td>CompareAsia Group</td>
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<td>Hong Kong</td>
<td>ACE &amp; Company, Alibaba Group, Goldman Sachs, H&amp;Q Asia Pacific, International Finance Corporation, Nova Founders Capital, Route 66 Ventures, SBI Group</td>
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<td>Fangsiling</td>
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<td>CAPITAL FLOAT</td>
<td>$45 (Series C)</td>
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<tr>
<td>POWER2SME</td>
<td>$36 (Series E)</td>
<td>India</td>
<td>Accel Partners India, International Finance Corporation, Inventus Capital Partners, Kalaari Capital, Nandan Nilekani</td>
</tr>
<tr>
<td>MobiKwik</td>
<td>$35 (Corporate Minority)</td>
<td>India</td>
<td>Bajaj Finance</td>
</tr>
</tbody>
</table>
Corporate participation in Asia fintech drops to five-quarter low

In Q3’17, corporates participated in 25% of Asia VC-backed fintech deals, a five-quarter low.

VC and other investors picked up their deal making, claiming 75% of quarterly deal share in Q3’17, a five-quarter high.

CVC participation in Asia deals to VC-backed fintech companies

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Corp / CVC Participation</th>
<th>Other Investors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3’16</td>
<td>71%</td>
<td>29%</td>
</tr>
<tr>
<td>Q4’16</td>
<td>71%</td>
<td>29%</td>
</tr>
<tr>
<td>Q1’17</td>
<td>70%</td>
<td>30%</td>
</tr>
<tr>
<td>Q2’17</td>
<td>71%</td>
<td>29%</td>
</tr>
<tr>
<td>Q3’17</td>
<td>75%</td>
<td>25%</td>
</tr>
</tbody>
</table>
### Most active VC investors in Asia fintech companies

**Q3’16 – Q3’17**

<table>
<thead>
<tr>
<th>Rank</th>
<th>Investor</th>
<th>Rank</th>
<th>Investor</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>500 Startups</td>
<td>11</td>
<td>Mizuho Capital</td>
</tr>
<tr>
<td>2</td>
<td>SBI Investment</td>
<td>11</td>
<td>India Quotient</td>
</tr>
<tr>
<td>3</td>
<td>East Ventures</td>
<td>11</td>
<td>IDG Ventures India</td>
</tr>
<tr>
<td>4</td>
<td>Matrix Partners China</td>
<td>11</td>
<td>China Growth Capital</td>
</tr>
<tr>
<td>5</td>
<td>Sequoia Capital China</td>
<td>11</td>
<td>Kae Capital</td>
</tr>
<tr>
<td>5</td>
<td>Sequoia Capital India</td>
<td>11</td>
<td>DCM Ventures</td>
</tr>
<tr>
<td>5</td>
<td>Kalaari Capital</td>
<td>11</td>
<td>Source Code Capital</td>
</tr>
<tr>
<td>5</td>
<td>Shunwei Capital Partners</td>
<td>11</td>
<td>Gobi Partners</td>
</tr>
<tr>
<td>5</td>
<td>Golden Gate Ventures</td>
<td>11</td>
<td>Accel Partners India</td>
</tr>
<tr>
<td>5</td>
<td>ZhenFund</td>
<td>11</td>
<td>Mizuho Capital</td>
</tr>
</tbody>
</table>

**500 Startups is the most active VC in Asia fintech startups**

500 Startups leads with the most investments to VC-backed fintech startups in Asia over the last five quarters.

SBI, East Ventures, and Matrix Partners China round out the top 4.
China sees fintech deals and dollars drop in Q3’17

Deal activity to VC-backed fintech companies in China dropped 19% on a quarterly basis in Q3’17.

VC-backed fintech funding in China fell to $0.8B after rising consecutively for the prior 2 quarters.
India quarterly financing trend to VC-backed fintech companies
Q3’16 – Q3’17

India VC-backed fintech deals and funding see pull back in Q3’17

Q3’17 saw both investment and deal activity to VC-backed fintech companies fall after a temporary surge in Q2’17 due to Paytm parent One97’s mega-round led by SoftBank.

Still, VC-backed fintech deals in India were up 80% from the same quarter a year prior.
CB Insights encourages you to review the methodology and definitions employed to better understand the numbers presented in this report. If you have any questions about the definitions or methodological principles used, we encourage you to reach out to CB Insights directly. Additionally, if you feel your firm has been under-represented, please send an email to info@cbinsights.com and we can work together to ensure your firm’s investment data is up to date.

**What is included:**

— Equity financings into emerging fintech companies. Fundings must be put into VC-backed companies, which are defined as companies who have received funding at any point from venture capital firms, corporate venture groups, or super angel investors.

— Fundings of only private companies. Funding rounds raised by public companies of any kind on any exchange (including Pink Sheets) are excluded from our numbers, even if they received investment by a venture firm(s). Note: For the purposes of this analysis, JD.com’s finance arm JD Finance and its $1B financing were included in the data per its investment from Sequoia Capital China in Q1’16.

— Only includes the investment made in the quarter for tranched investments. If a company does a second closing of its Series B round for $5M and previously had closed $2M in a prior quarter, only the $5M is reflected in our results.

— Round numbers reflect what has closed — not what is intended. If a company indicates the closing of $5M out of a desired raise of $15M, our numbers reflect only the amount which has closed.

— Only verifiable fundings are included. Fundings are verified via various federal and state regulatory filings, direct confirmation with firm or investor, or press release.

— Previous quarterly VC reports issued by CBI have exclusively included VC-backed rounds. In this report, any rounds raised by VC-backed companies are included, with the exceptions listed.

**What is excluded:**

— No contingent funding. If a company receives a commitment for $20M subject to hitting certain milestones but first gets $8M, only the $8M is included in our data.

— No business development / R&D arrangements, whether transferable into equity now, later, or never. If a company signs a $300M R&D partnership with a larger corporation, this is not equity financing nor is it from a venture capital firm. As a result, it is not included.

— No buyouts, consolidations, and/or recapitalizations. All three of these transaction types are commonly employed by private equity firms and are tracked by CB Insights. However, they are excluded for the purposes of this report.

— No private placements. These investments, also known as PIPEs (Private Investment in Public Equities), are excluded even if made by a venture capital firm(s).

— No debt / loans of any kind (except convertible notes). Venture debt or any kind of debt / loan issued to emerging startup companies, even if included as an additional part of an equity financing, is not included. If a company receives $3M with $2M from venture investors and $1M in debt, only the $2M is included.

— No government funding. Grants, loans, or equity financings by the federal government, state agencies, or public-private partnerships to emerging startup companies are not included.