FINTECH INVESTMENTS
Q1 2024

APR 2024

ELEVANDI

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OVERVIEW

This purpose of this report is to provide an update on the status of FinTech investments in Singapore for the first quarter Q1 2024, including comparison on selected global and regional peers.

This report covers the following key areas:

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II.   Overview: Q1 2024 FinTech Funding
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I. RECAP: 2023 FINTECH FUNDING

In 2023, nearly all the countries in our coverage universe[1] saw a decline in FinTech investments, driven by global macro-economic conditions.

The **key exception was China**, which saw investment almost triple in 2023 vs. 2022. It is worth noting, however, that China's 2023 numbers were primarily driven by Ant Consumer Finance raising US$2.13 billion, constituting 83% of China's total deal value that year.

Table 1: FinTech Investments Performance of Coverage Universe[1] 2022, 2023

|	Deal Value (US$ billions)		Year on Year Change
Country	**2022**	**2023**	**%**
United States	89.6	73.7	-18%
United Kingdom	18.1	12.6	-31%
India	6.5	3.8	-42%
Singapore	**4.3**	**2.0**	**-53%**
China	0.9	2.6	178%
United Arab Emirates	1.4	1.3	-8%
Hong Kong	0.9	0.8	-15%
Indonesia	1.8	0.8	-58%

Source: Pitchbook, Elevandi Analysis. Includes equity FinTech investments, excluding debt financings.

[1] Coverage universe includes – High Level: US, UK, India, China, UAE, Singapore, Hong Kong, Indonesia

II. OVERVIEW: Q1 2024 FINTECH FUNDING

Relative to Q1 2023, many of the countries in our coverage universe, saw a decline in FinTech investment funding (when we exclude outliers). For the purposes of this analysis, outliers have been defined as single transactions that constitute more than 50% of the total investment amount in a particular country for a given quarter.

Chart 1: FinTech Investments - Q1 2023 vs Q1 2024 for SG, CN, UAE, HK, ID (US$ m)
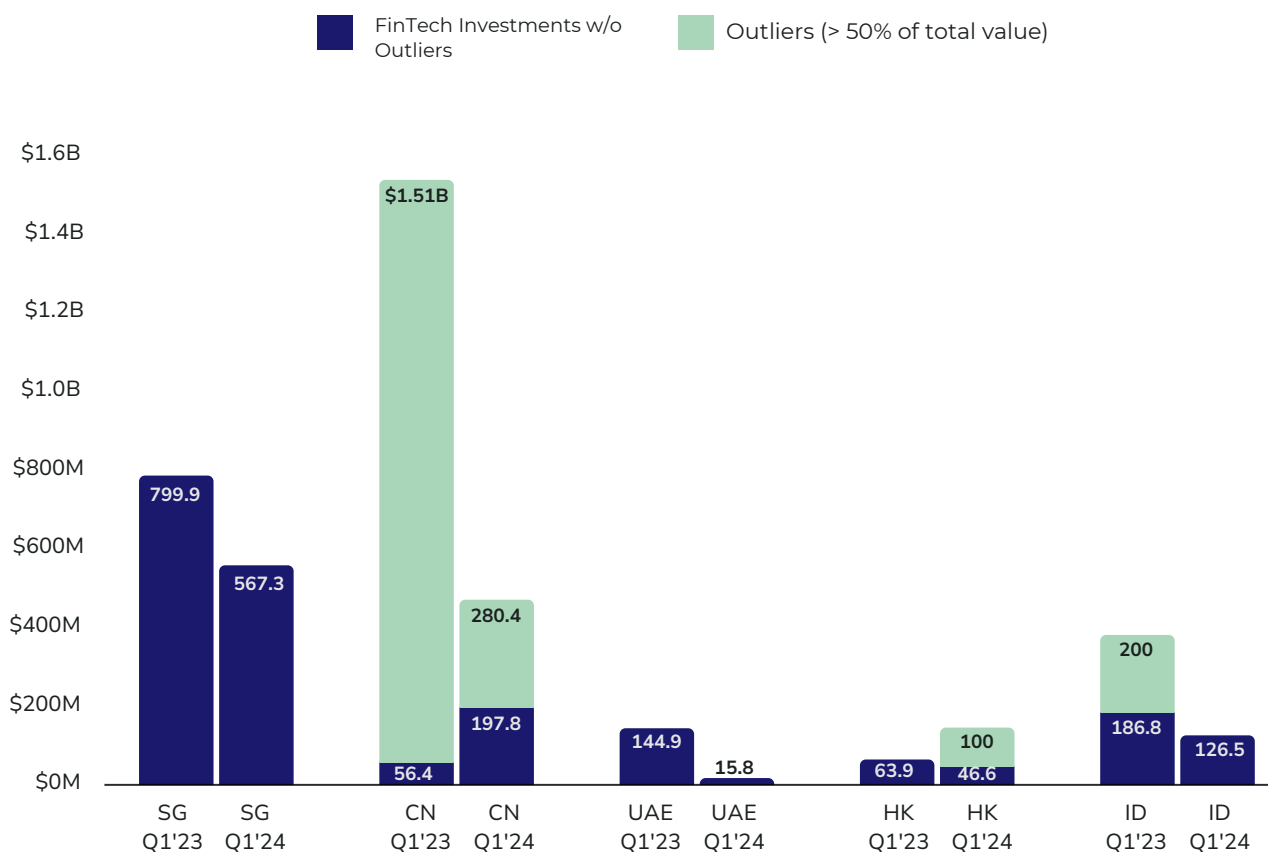
Data source: Pitchbook, Tracxn, CB Insights; Elevandi Analysis

In **Q1 2024, the United States (US) saw US$8.4 billion (B) of FinTech funding, a decline of 72% from Q1 2023**. There were no outliers recorded for either Q1 2023 or Q1 2024.

The United Kingdom (UK) saw US$13.6B of FinTech funding, 92% of which was driven by WorldPay's (Payments) **US$12.5B buyout by GTCR** (this was also the largest global deal for this quarter). Without that transaction, the UK's FinTech funding stood at US$1.1B, a decline of 47% relative to Q1 2023.

Singapore (SG) saw US$567.3m of FinTech funding in Q1 2024, a decline of 29% from Q1 2023. There were no outliers recorded for SG in either quarter.

Table 2: Quarterly FinTech Investments Performance of Coverage Universe

Country		Deal Value (US$ m, unless stated)			% Change	
		Q1 2023	Q4 2023	Q1 2024	Q1'24/ Q4'23	Q1'24/ Q1'23
United States	Total value	30.1B	18.1B	8.4B	-53%	-72%
	Total w/o outlier *Adenza[2]*	**30.1B**	**7.6B**	**8.4B**	**11%**	**-72%**
United Kingdom	Total value	2.0B	2.1B	13.6B	550%	565%
	Total w/o outlier *Worldpay[3]*	**2.0B**	**2.1B**	**1.1B**	**-48%**	**-47%**
India	Total value	912.4	187.6	568.2	203%	-38%
	Total w/o outlier *BharatPe[4]*	**412.4**	**187.6**	**568.2**	**203%**	**38%**
Singapore	**Total value**	**799.9**	**305**	**567.3**	**86%**	**-29%**
China	Total value	$1.6B	656.7	478.2	-27%	-69%
	Total w/o outlier *Ant Consumer, Yi'An[5]*	**56.4**	**38**	**197.8**	**420%**	**251%**
United Arab Emirates	Total value	144.9	567.6	15.8	-97%	-89%
Hong Kong	Total value	63.9	148.2	146.6	-1%	129%
	Total w/o outlier *MoneyHero Hashkey[6]*	**63.9**	**4.15**	**46.6**	**1023%**	**-27%**
Indonesia	Total value	386.8	280.7	126.5	-55%	-67%
	Total w/o outlier *Digiasia Bios[7]*	**186.8**	**280.7**	**126.5**	**-55%**	**-32%**

Data source: Pitchbook, Tracxn, CB Insights; Elevandi Analysis

China (CN) saw US$478.2m of funding in Q1 2024, 59% of which was driven by Yi'An Enterprise's (Wealthtech & Investments) **US$280.4m early-stage VC deal.** Excluding that deal, China's funding stood at US$197.8m which was a 251% increase from Q1 2023 when we similarly exclude outlier Ant Consumers Finance's (Lending & Credit) US$1.51B corporate deal from Q1 2023.

Hong Kong (HK) received US$146.6m of funding, 68% of which was driven by Hashkey's (Digital Assets) **US$100m early-stage series A deal.** HK's funding stood at US$46.6m excluding Hashkey which was a 27% decline from Q1 2023.

Indonesia (ID) received US$126.5m of funding in Q1 2024 which was a 32% decline from Q1 2023 when we exclude Digiasia Bios' (Open Finance/API/Banking Platform) US$200m reverse merger from Q1 2023.

[2] Adenza (Wealthtech & Investments) raised US$10.5B in Q4 2023

[3] Worldpay (Payments) raised US$12.5B in Q1 2024

[4] BharatPe (Payments) raised US$500m in Q1 2023

[5] Ant Consumer Finance Arm (Lending & Credit) raised US$1.51B in Q1 2023 and US$618.6m in Q4 2023, Yi'An Enterprise (Wealthtech & Investments) raised US$280.37m in Q1 2024

[6] MoneyHero (Wealthtech & Investments) raised US$144m in Q4 2023, Hashkey (Digital Assets) raised US$100m in Q1 2024

[7] Digiasia Bios' (Open Finance/API/Banking Platform) raised US$200m in Q1 2023

III. DEEP DIVE: Q1 2024 FINTECH FUNDING (SINGAPORE, HONG KONG, INDONESIA)

Chart 2: Singapore FinTech Investments
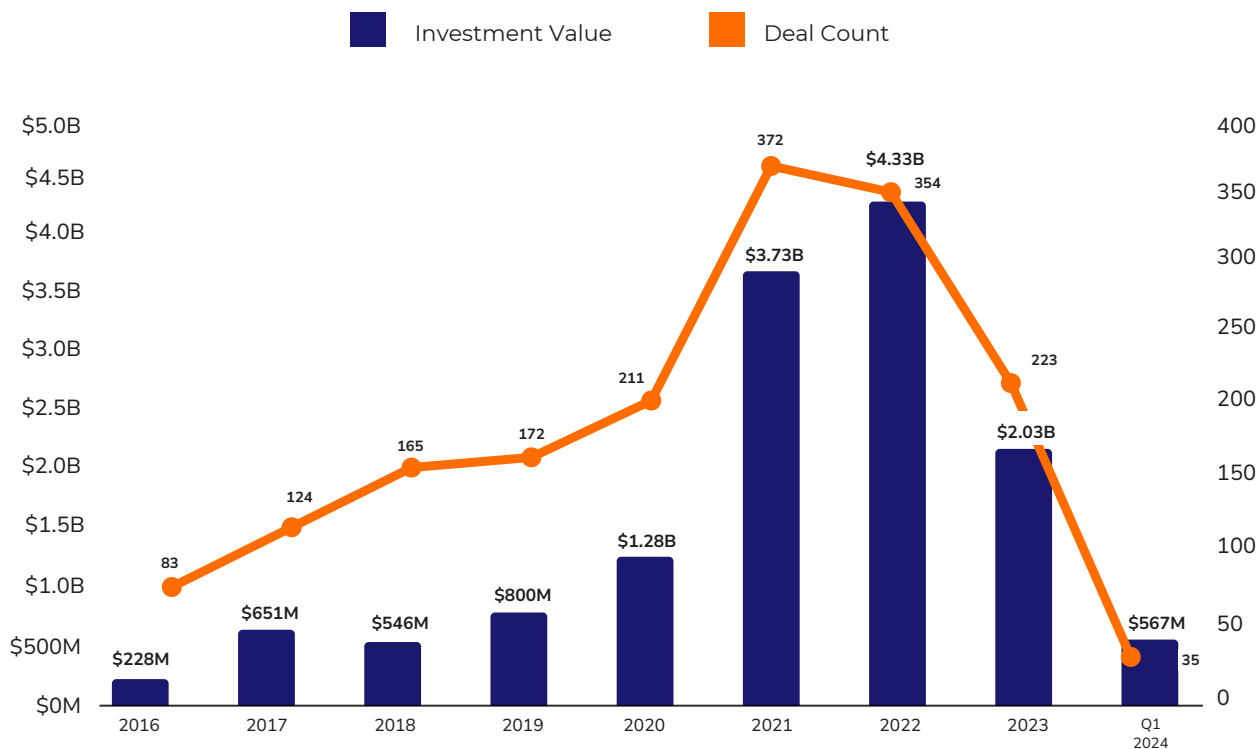
Data source: Pitchbook, Tracxn, CB Insights; Elevandi Analysis

In **Q1 2024, Singapore attracted FinTech US$567.3m from 35 disclosed deals**, including two large deals over US$100m.

The top three deals in Singapore included:

1. **Anext Bank** (Digital Bank): **US$148.0m** in corporate funding from Ant Group (its major shareholder)
2. **GXS Bank** (Digital Bank): **US$109.3m** in corporate funding from Grab Holdings (its major shareholder)
3. **Aspire** (CFO Stack): **US$79.2m** in late-stage venture funding led by Lightspeed Venture and Peak XV Partners

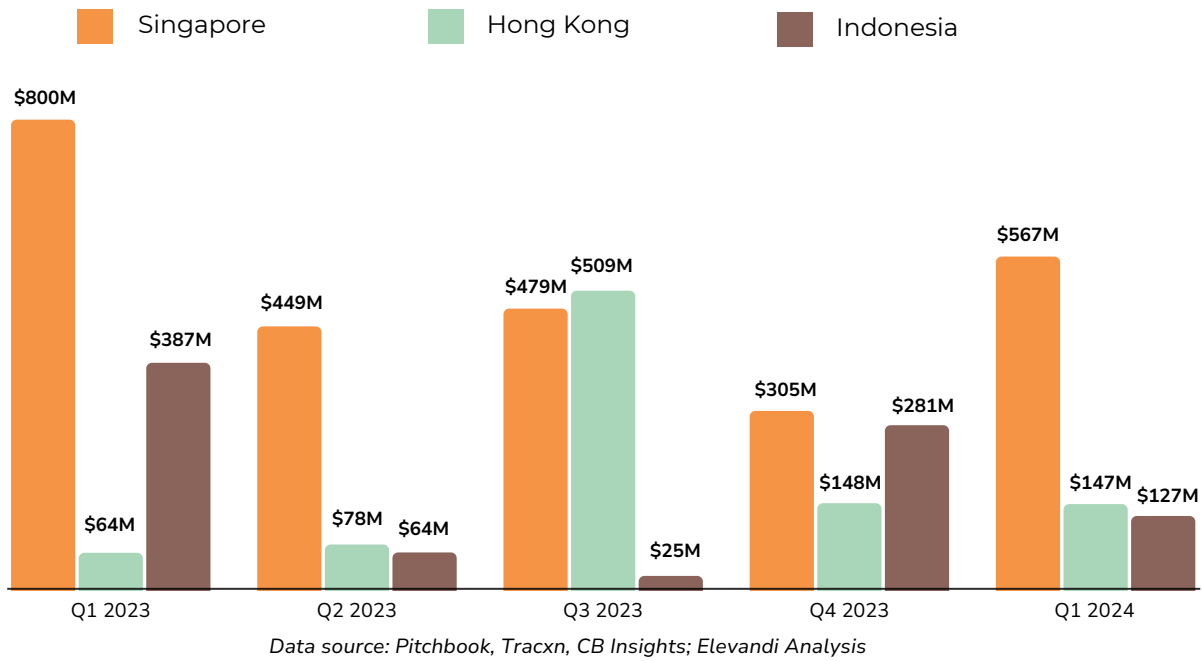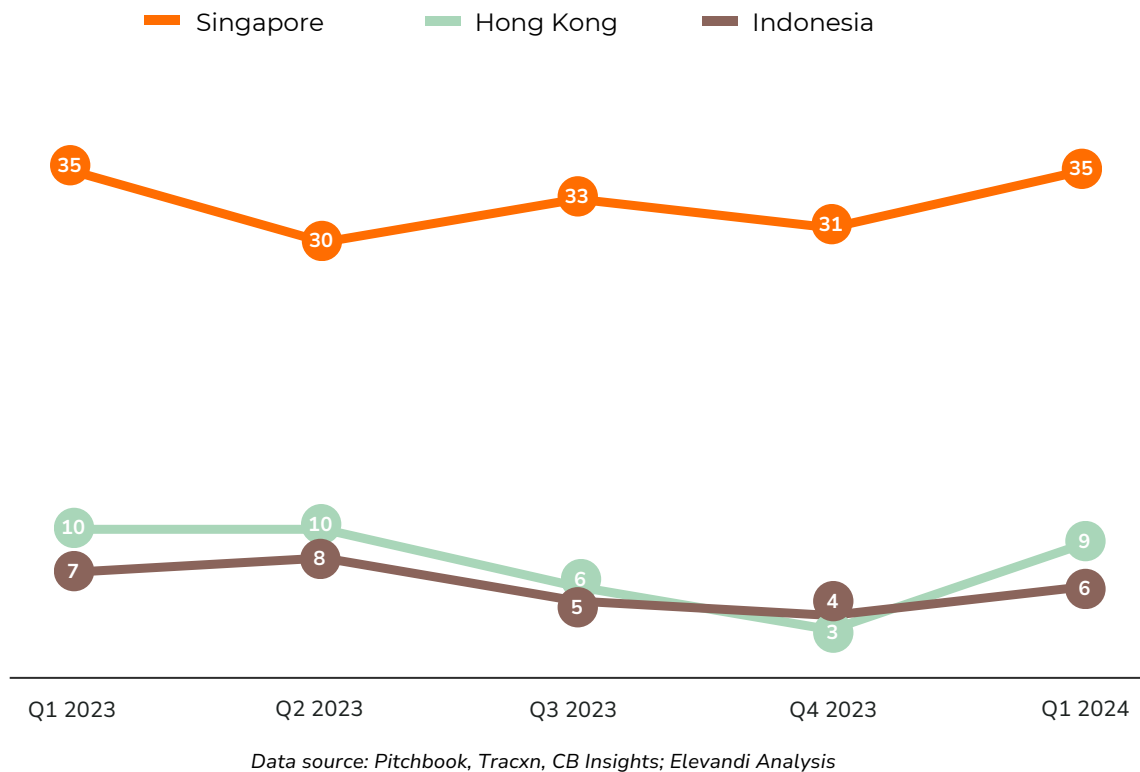## Chart 3: FinTech Investments - Disclosed Deal Value (Regional Comparison)

■ Singapore   ■ Hong Kong   ■ Indonesia

Data source: Pitchbook, Tracxn, CB Insights; Elevandi Analysis

Chart 4: FinTech Investments - Number of Disclosed Deals (Regional Comparison)

■ Singapore   ■ Hong Kong   ■ Indonesia

Data source: Pitchbook, Tracxn, CB Insights; Elevandi Analysis

Hong Kong saw US$146.6m of FinTech funding in Q1 2024 from nine disclosed deals, **a 129% increase from Q1 2023** (US$63.9m via 10 deals). Further analysis on specific deals is provided below.

In **Indonesia, Q1 2024 saw US$126.5m** from six disclosed deals. Compared to Q1 2023 which saw US$386.8m, there was a **67% decline** in funding. Further analysis on specific deals is provided below.

DISTRIBUTION BY VERTICALS
(SINGAPORE, HONG KONG AND INDONESIA)

In Q1 2024, FinTech investments in Singapore were primarily driven by transactions in the below verticals:

1. **Digital Banks - US$257.3m**, 45% of deal value
2. **CFO Stack - US$102.9m**, 18% of deal value
3. **Digital Assets - US$76.9m**, 14% of deal value
4. **Blockchain & DeFi - US$58.7m**, 10% of deal value

Chart 5: Q1 2024 Singapore Investments - Distribution by Verticals
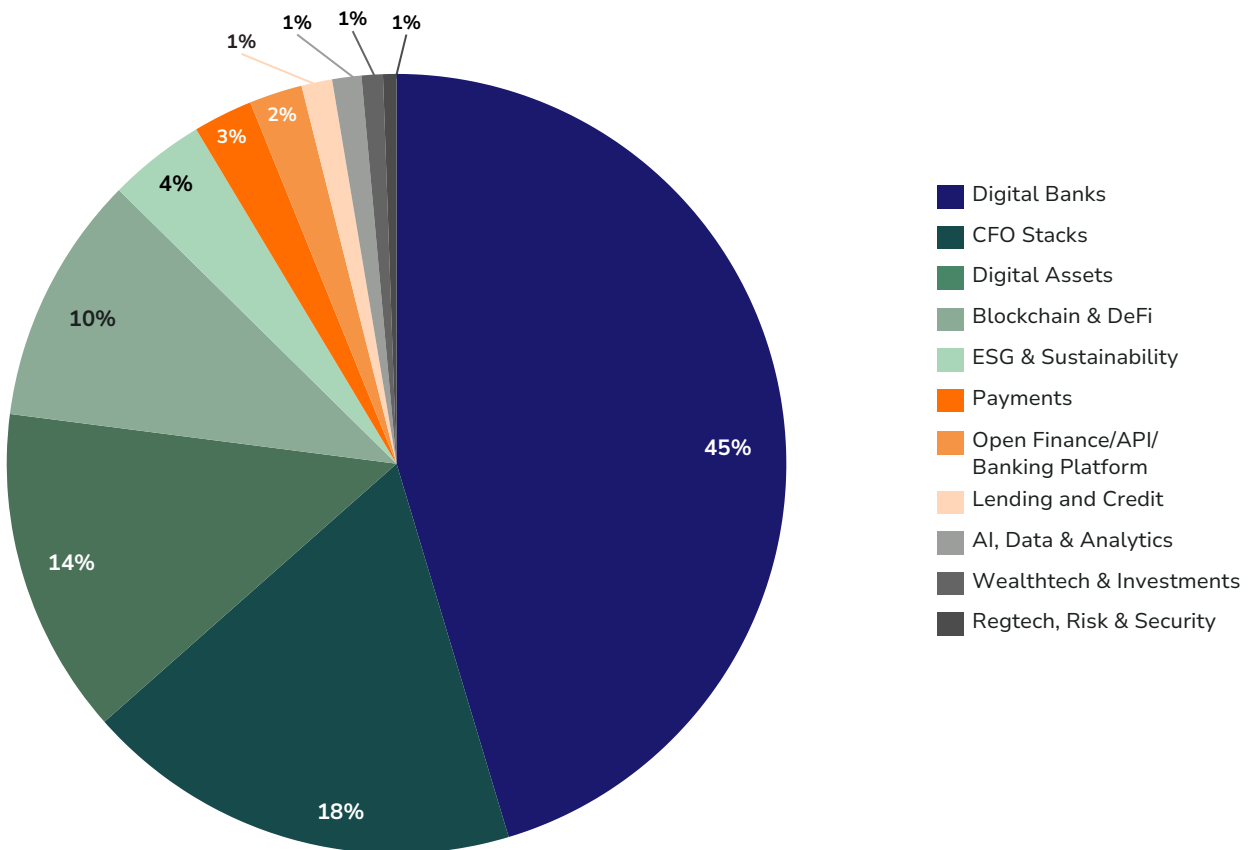
Data source: Pitchbook, Tracxn, CB Insights; Elevandi Analysis

The **growth in Digital Banks – the largest vertical in Q1 2024 with US$257.3m (45% of investment value)** came through two transactions – i) GXS, US$148m (under a digital full bank license) and ii) Anext, US$109.3m (under a digital wholesale bank license). Both GXS and Anext obtained licenses from the Monetary Authority of Singapore about four years ago.

The corporate investments into these digital banks may have been driven by their requirement to meet the same capital adequacy ratios as domestic systemically important banks (D-SIBs), plus a minimum paid-up capital of SG$1.5 billion within three to five years from commencement of business to become fully functioning digital banks. ACRA filings also suggest that Grab and Singtel are planning to inject an additional US$172 m into GXS in the third quarter of this year. Anext is also expecting a third tranche of investment worth about US$171m.

The CFO stack[9] – the second largest vertical – saw US$102.9m of funding (18% of investment value) through four deals. This was primarily driven by finance management firm Aspire's US$79.2m series C funding and digital equity management software Qapita's US$17.2m series B funding.

Digital Assets was the third largest vertical for this quarter – US$76.9m was raised (14% of investment value) through eight deals. Crypto payments Oobit (US$25m, series A) and Ubit Crypto Exchange (US$20m, series A) were the two biggest deals for this vertical.

Blockchain & DeFi made up the fourth largest vertical with US$58.7m (10% of value), and the most active vertical with 11 disclosed deals.

Taken together, **Digital Assets and Blockchain & Defi attracted a total of US$135.6m through 19 deals**. This continues the trend of this sector being an integral part of Singapore's FinTech ecosystem since 2017.

A noteworthy addition is the **ESG & Sustainability vertical** (tracking commences with this report) – in Q1 2024, the two deals for this vertical include carbon credits exchange Climate Impact X (US$22.3m, series B) and green asset financing platform Refy (US$0.53m, pre-seed) – together contributing 4% of total investment value in Singapore.

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[9] For the purposes of this analysis, the CFO Stack comprises of enterprise FinTech solutions that help finance teams manage accounting, audit, tax, compliance, financial planning, budgeting and forecasting, expense management, accounts payable and receivables (AP/AR) automation, equity and shareholders management.
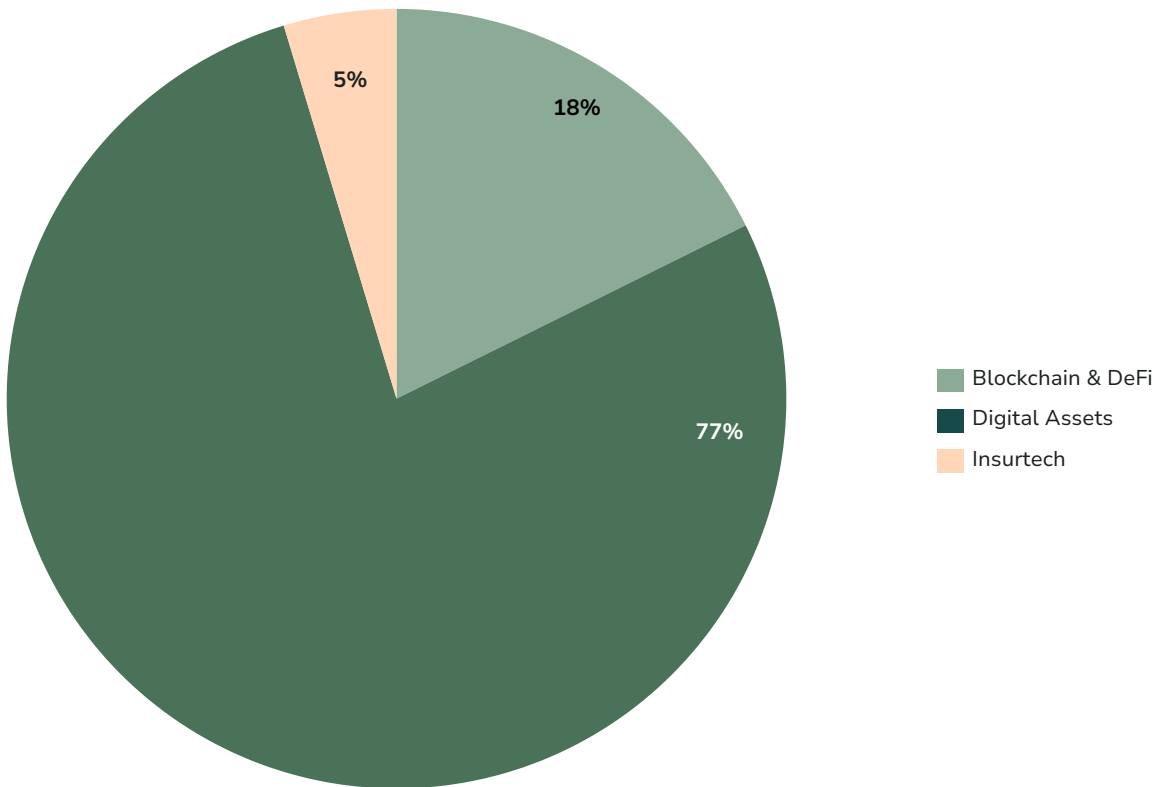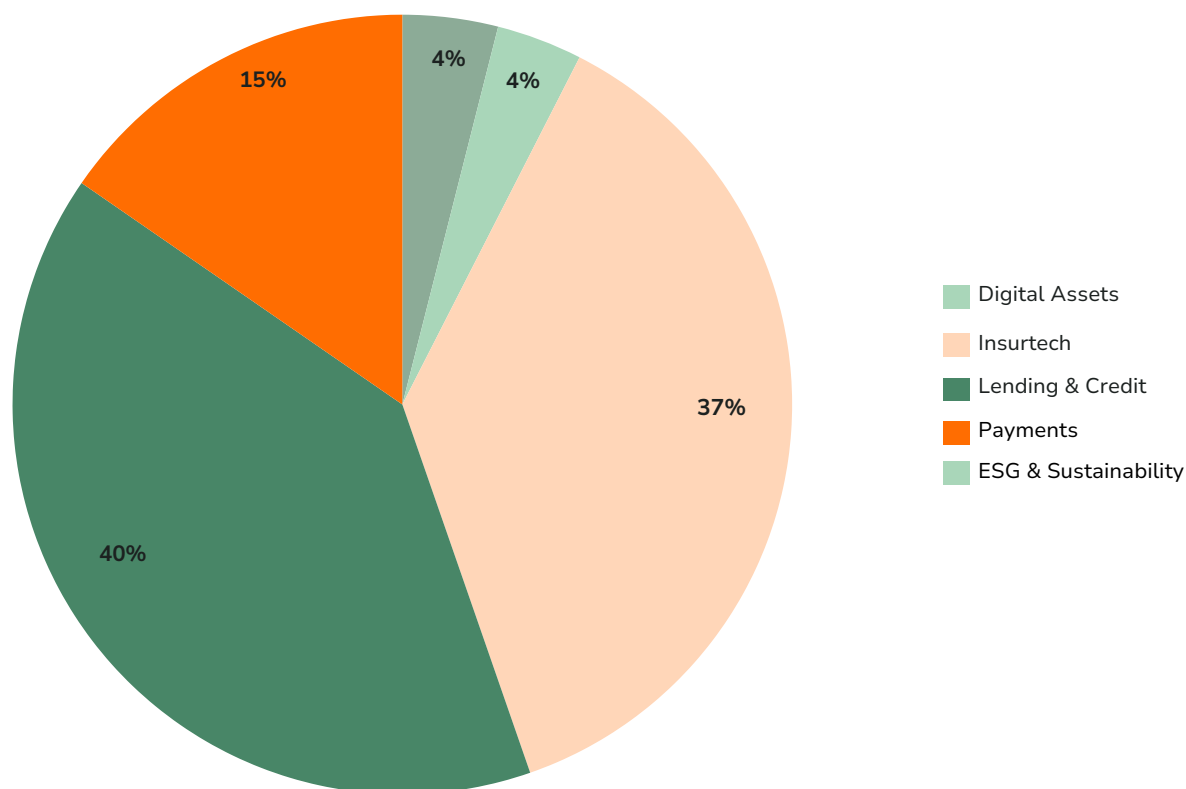
Data source: Pitchbook, Tracxn, CB Insights; Elevandi Analysis

Hong Kong raised US$146.6m of funding in Q1 2024, transactions within the Digital Assets and Blockchain & DeFi verticals taken together contributed to a total of 95% of HK's FinTech deal value. HK had nine disclosed deals this quarter – three of these were from Digital Assets (Crypto) – US$113.85m (77% of investment value). A further five of the nine deals were Blockchain & DeFi related - US$25.9m in total (18% of deal value).

These deals reflect HK's concerted pivot towards establishing itself as an Asia Crypto/Blockchain hub led by Hong Kong's Securities and Futures Commission (SFC). The SFC allowed licensed retail trading at the start of 2023, published proposed rules for virtual asset trading platforms in February, and promulgated a new licensing regime for virtual assets service providers and crypto exchanges in June. Hong Kong's government had also announced a task force dedicated to promoting comprehensive Web3 development in June 2023.

4% 4% 15% 37% 40%

Legend:
- Digital Assets
- Insurtech
- Lending & Credit
- Payments
- ESG & Sustainability

Data source: Pitchbook, Tracxn, CB Insights; Elevandi Analysis

In Indonesia, there were six disclosed deals this quarter that raised a combined US$126.5m. Lending & Credit FinTechs raised US$50.5m (40% of total) via two deals – AwanTunai (MSME financing) and Wagely (salary financing). Insurtech followed with one big series C deal – Qoala raising US$47m (representing 37% of the total). These verticals reflect growth in the FinTechs focused on Indonesia's large consumer market (276 million population, 66% of which remains unbanked[10]).

## DISTRIBUTION BY FUNDING STAGE (SINGAPORE)

The most active funding stages for Singapore by deal count for Q1 2024, were early-stage (28 deals, 39%), followed by seed (20 deals, 28%), and late-stage (10 deals, 14%)[11]. For funding stages distribution, all deals were considered, including deals with undisclosed values to present a complete overview. Together, seed and early-stage deals accounted for the majority of transactions (67%) in Q1 2024, consistent with previous quarters.

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[10] A List of Digital Banks in Asia – Fintech News Singapore, 2024

[11] Early-stage VC (series A or B), Later-stage VC (series C or D or later), Growth (series E or later)

Chart 8: Singapore – Distribution of Funding Stage by All Deal Count

(no. of deals, includes deals with undisclosed deal value amounts)
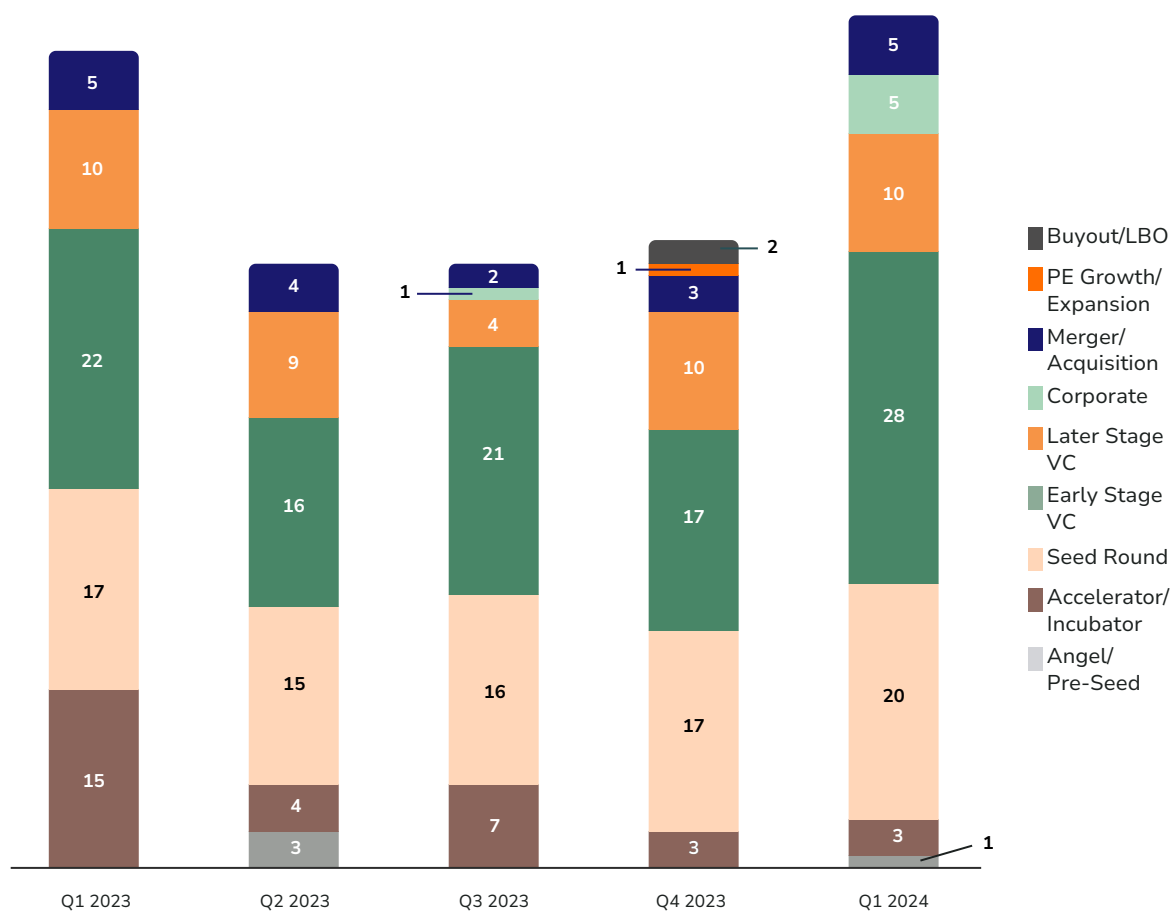
Data source: Pitchbook, Tracxn, CB Insights; Elevandi Analysis

From a disclosed funding perspective, corporate investments (US$294.1m, 52% of deal value) led late-stage (US$139.2m, 25%) and early-stage (US$76.5m, 14%). This is a new development – in prior quarters, corporate investment was not materially represented in Singapore's investment numbers.

Corporate investment's strong showing this quarter was primarily due to existing shareholders increasing their investments into Singapore based FinTechs. This was done for varied purposes – i) to strengthen their presence (Anext and GXS), ii) reach new geographies (Sweden's 6G Digital 25% stake in FlexM) or iii) enter new customer segments (Maxi-Cash's investment into BigFundr, a property lending platform).

Chart 9: Singapore – Distribution of Funding Stages by Disclosed Deal Value (US$ m)
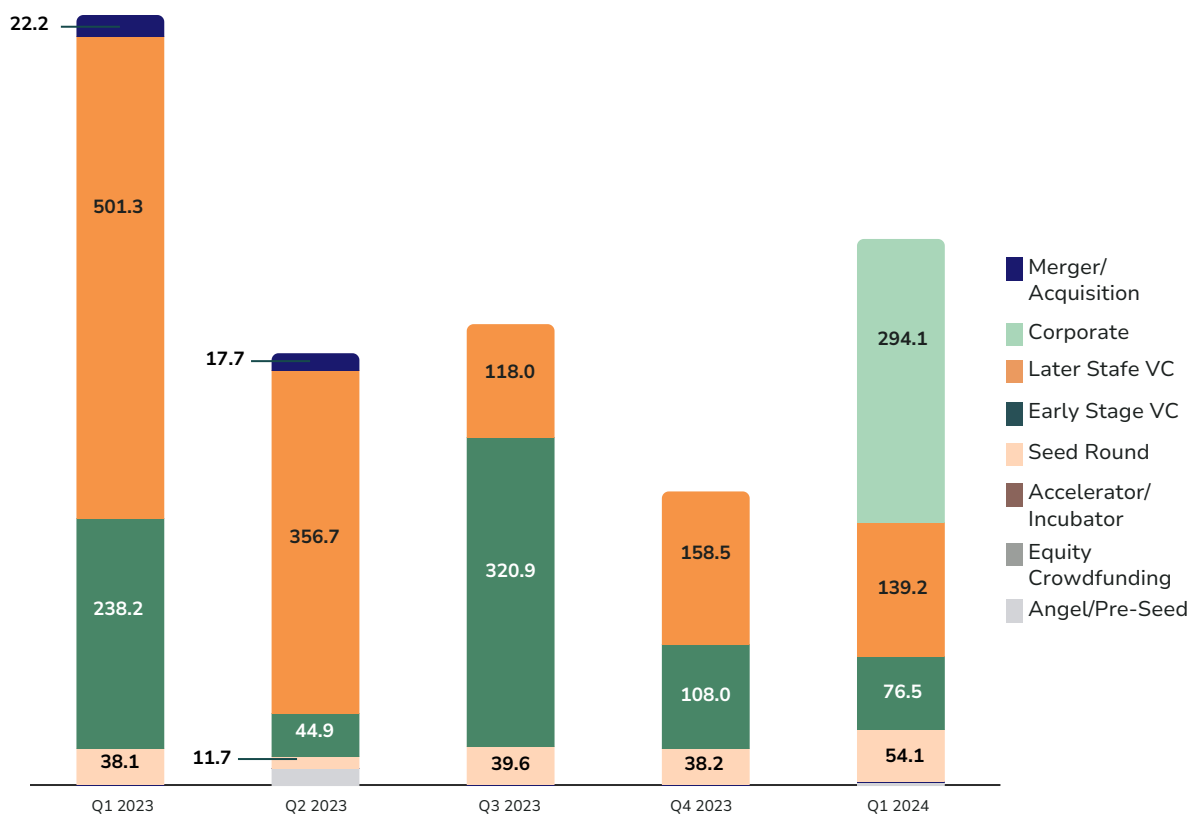
Data source: Pitchbook, Tracxn, CB Insights; Elevandi Analysis

Chart 10: Singapore – Distribution of Funding Stages by Median Deal Value
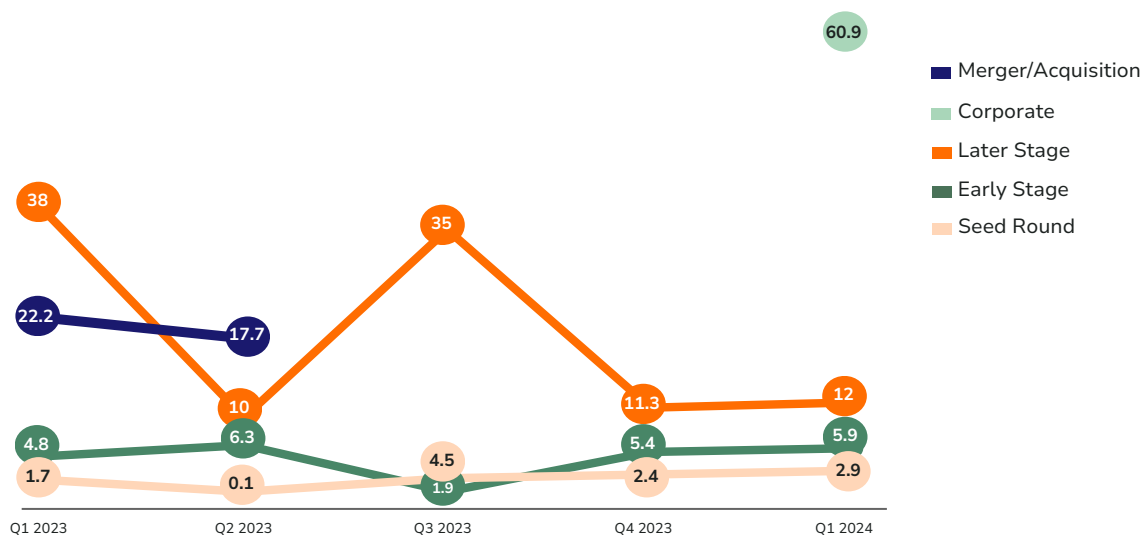
Data source: Pitchbook, Tracxn, CB Insights; Elevandi Analysis

There has not been a meaningful change in the median transaction sizes for most funding stages over the past 5 quarters. It is worth noting the exception being median deal size for late-stage transactions is still below the elevated ranges seen in Q1 2023 and Q3 2023.

IV. DEBT FINANCING HIGHLIGHTS (SINGAPORE, HONG KONG, INDONESIA)

Aside from the analysis of equity financing above for Q1 2024, there were **a few notable debt financing deals** in Singapore, Hong Kong and Indonesia:

Singapore
- DCS Card Centre (Cards – Credit cards solutions) raised US$75.1m through corporate backed notes to finance DCS's receivables from both retail and corporate customers
- Validus (Lending & Credit – SME financing) raised US$10m in debt to expand its supply-chain financing operations to Southeast Asian SMEs

Hong Kong
- FundPark (Lending & Credit – SME financing) raised US$250m through an asset backed securitisation to provide trade financing for digital entrepreneurs

Indonesia
- Fairblanc (Lending & Credit – MSME financing) raised US$13.3m to expand its BNPL credit operations to Indonesia's SMEs

V. Q1 2024 MOST ACTIVE FINTECH INVESTORS

As part of the ongoing analysis, **we highlight key FinTech investors who are active in Singapore, and globally.** We identify the **most active investors in the space, as measured by the number of FinTech deals they made in each quarter**.

The top 5 FinTech investors active in Singapore (by deal count) for Q1 2024 are shown below:

Table 3: Top 5 Most Active FinTech Investors in Singapore for Q1 2024

Investor	No. of Deals	SG Portfolio Companies
Antler	5	Bluesheets, BorderDollar
OKX Ventures	4	BounceBit,Bsquared Network
Hashkey Capital	4	Mystiko, Beoble
Blackdragon (Crypto)	4	Fletch, Frontier
Arcane Group	2	BounceBit, BBOX

Data source: Pitchbook, Tracxn, CB Insights; Elevandi Analysis

The top 5 most active FinTech investors globally (by deal count) for Q1 2024 are shown below:

Table 4: Top 5 Most Active FinTech Investors globally for Q1 2024

Investor	No. of Deals	Investor HQ Country
OKX Ventures	21	Virgin Islands (British)
Big Brian Holdings	9	US
Cogitent Ventures	9	UK
Polychain	9	US
Andreessen Horowitz (a16z)	8	US

Data source: State of Venture Report Q1 2024, CB Insights

VI. COMPANY WITH HIGHEST FUNDRAISING

We highlight **key FinTech companies, both in Singapore, and globally**. At this stage, we will identify the key companies by the highest amount fundraised (non-cumulative) for the trailing twelve months (TTM) period of April 2023 to March 2024.

The top 10 Singapore FinTechs (by amount fundraised) are below:

Table 5: Top 10 Singapore FinTechs by Deal Value

(Highest Single Deal Value, TTM)

Companies	Capital Raised (US$ m)	Funding Stage	Vertical Classification
Amber Group	300	Later Stage VC	Digital Assets
bolttech	246	Early Stage VC	Insurtech
Aspire	79	Later Stage VC	CFO Stack
Thunes	72	Later Stage VC	Payments
YouTrip	50	Later Stage VC	Payments
Igloo	36	Later Stage VC	Insurtech
Endowus	35	Later Stage VC	Wealthtech & Investments
MultiChainz	35	Early Stage VC	Digital Assets
utu (Financial Services)	35	Later Stage VC	Sector Specific Solution
Validus Capital	30	Later Stage VC	Lending & Credit

Data source: Pitchbook, Tracxn, CB Insights; Elevandi Analysis

The top 10 Global FinTechs (by amount fundraised) are below:

Table 6: Top 10 Global FinTechs by Deal Value

(Highest Single Deal Value, TTM)

Companies	Capital Raised (US$ B)	Country	Deal Type	Vertical Classification
Worldpay	12.5	UK	Buyout/LBO	Payments
Black Knight	11.7	US	M&A	Lending & Credit - Mortgage
Adenza	10.5	US	M&A	Wealthtech & Investments
Finastra	7.1	UK	PE Expansion	Open Finance/ API/ Banking Platform
EngageSmart	4.0	US	Buyout/LBO	User Engagement
MoneyGram	1.8	US	Buyout/LBO	Payments
Avantax	1.2	US	Buyout/LBO	Wealthtech & Investments
Generate	1.1	US	Later Stage VC	ESG & Sustainability
Pismo	1.0	Brazil		Open Finance/ API/ Banking Platform
PhonePe	0.8	India	Later Stage VC	Payments

Data source: Pitchbook, Tracxn, CB Insights; Elevandi Analysis

CONCLUSION

Singapore's FinTech sector weathered a global decline in investment during Q1 2024 (relative to Q1 2023). While funding dipped compared to the previous year, **Singapore maintained its regional advantage and saw increased investments compared to the previous quarter.** This resilience underscores the underlying strength and attractiveness of the Singaporean FinTech ecosystem.

A key **investment funding shift to note for Q1 2024 is the rise in corporate investments** by existing shareholders e.g. Ant Group's US$148m funding into Anext and Grab's US$109.3m funding into GXS. This shift indicates corporate investors' growing confidence in established FinTech players and a strategic focus on scaling proven solutions with established market traction. This trend aligns with Singapore's vision of fostering a thriving ecosystem of not just innovative startups, but also robust, scalable FinTech companies.

The specific verticals attracting the most significant investments - **Digital Banks** and the **CFO Stack** - in Q1 2024 offer additional insights. Digital Banks, fuelled by Singapore's supportive licensing regime, saw substantial funding. This reflects Singapore's commitment to banking liberalisation and fostering a resilient, competitive, and vibrant financial services sector. Strong investor interest in the CFO Stack segment highlights investors' backing of solutions that empower businesses, particularly in areas like automation and financial management. Additionally, the continued vibrancy of the **Digital Assets and Blockchain & DeFi** space, despite the headwinds faced by the sector, underlines the strength and depth of Singapore based FinTechs in this space.

In Singapore, FinTech companies with the highest fundraised include **Amber Group (Digital Assets, Unicorn), bolttech (Insurtech, Unicorn) and Aspire (CFO Stack)** - these were the companies that had the highest single deal value for the trailing twelve months period.

Antler, OKX Ventures, and Hashkey Capital were the most active investors (by deal count) in Singapore for Q1 2024. It is noted that **four of the top five most active investors are in the Digital Assets and Blockchain & DeFi space**. This activity is **similarly reflected globally** with the global top four most active investors all being in Blockchain and Web3 space.

Last but not the least, amidst a global backdrop of continued economic uncertainties, Singapore's FinTech sector demonstrated resilience and adaptability, navigating through the challenges with notable achievements reflecting that the industry's core strength remains. Investors and operators are shifting their focus towards resilient and profitable growth, laying the foundation for a new and sustainable chapter in FinTech's evolution.

APPENDIX 1

Data Sources Used (i) Pitchbook; (ii) Tracxn, and (iii) CB Insights

Frequency of Data Collection Quarterly
For Q1 2024, this report contains the latest deal information from Pitchbook, Tracxn and CB Insights, updated as of the 14th April. Any deals that may have been added to the databases following this date, are not incorporated in this report.

Sector Focus FinTech

Methodology
The primary data source utilised is Pitchbook, supplemented by Tracxn and CB Insights. For the three countries where FinTech investment numbers are tracked in detail - to ensure accuracy, the data is cross-referenced and validated across the three databases where applicable. Verification involves validating transaction specific information including but not limited to deal date, size, status, type, and deal synopsis.

Equity investments into FinTech companies are included, debt fundings are generally not included with the exceptions of SAFE, convertible debt and debt conversions. The following transaction types are considered: accelerator, incubator, angel, pre-seed/seed, venture capital, early-stage (series A or B), late-stage (series C or D or later), growth (series E or later), corporate venture capital, corporate, private equity funding, and mergers and acquisitions.

Verticals Classification Methodology
To ensure accuracy in FinTech verticals classification for Singapore headquartered FinTechs, as well as consistency across the reports, we have compiled a proprietary taxonomy consisting of 22 primary FinTech verticals, which are further sub-divided into 212 sub-segments.

For each company, a meticulous review is performed to ensure accurate classification – this involves reviewing the information provided by the above data sources, as well as a thorough review of the company's website[13].

Due to the private nature of many of the transactions, the data set extracted from Pitchbook, Tracxn and CB Insights is not definitive, but is a best estimate based on industry-leading practices, research methodology and information available as of the quarter close date. Due to ongoing updates to the data set, data extracted before or after extraction date may differ from the data within the data set.

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[12] Large geographies/countries including but not limited to the United States of America, United Kingdom, European Union, China, India etc rely upon existing investment numbers and vertical classification at source from data providers due to their large volumes.

[13] This process is applicable to Singapore headquartered FinTechs. Large geographies/countries including but not limited to the United States of America, United Kingdom, European Union, China, India etc are excluded – these geographies/ countries instead rely upon existing classification at source from data providers due to their large volumes.

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The views here expressed here are their own and do not necessarily reflect the views of Elevandi or its staff.