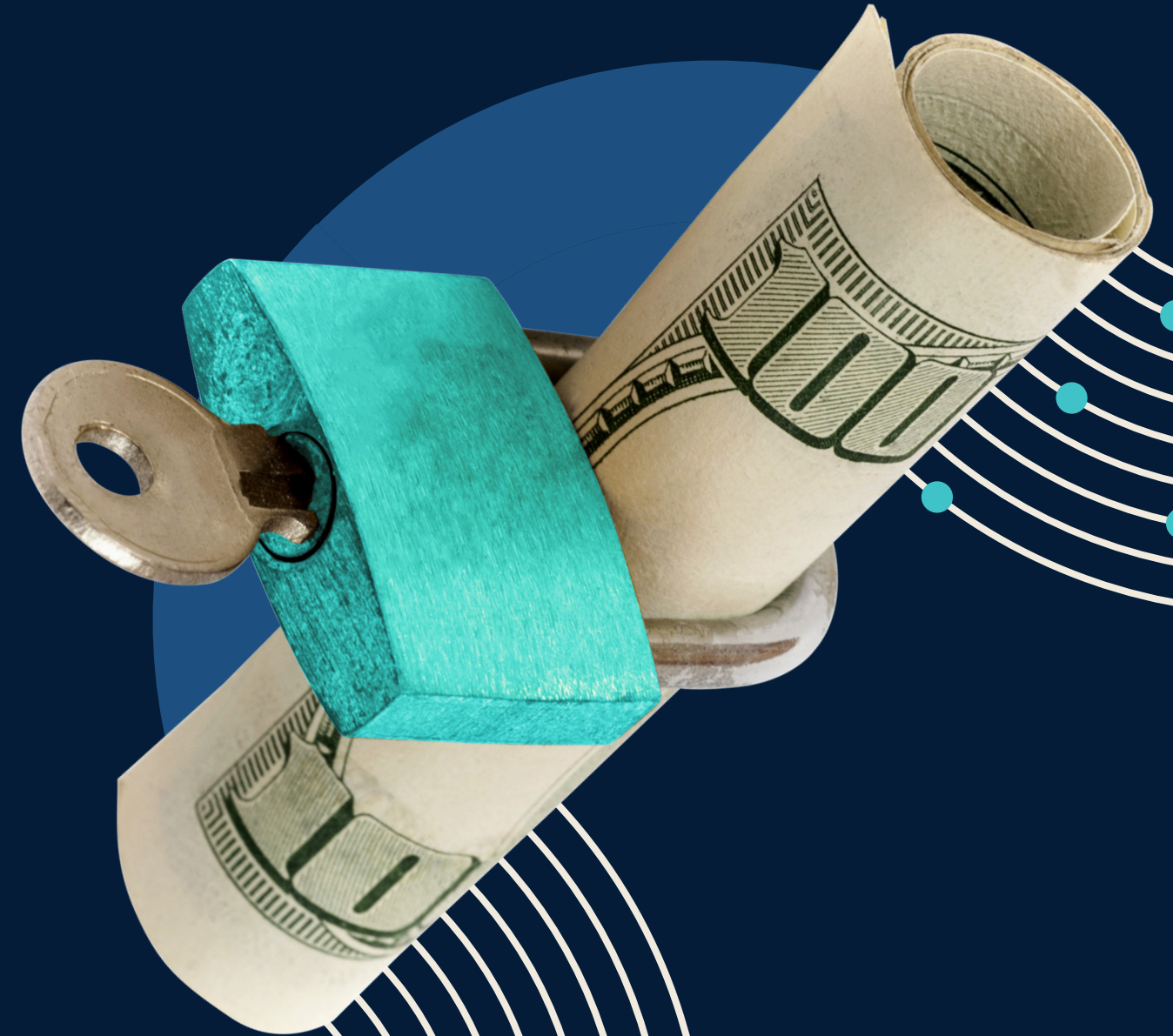




 EMERGING TECH RESEARCH

# Enterprise Fintech Report

VC trends and emerging opportunities



**Q1**  
2023

## REPORT PREVIEW

The full report is available through the PitchBook Platform.



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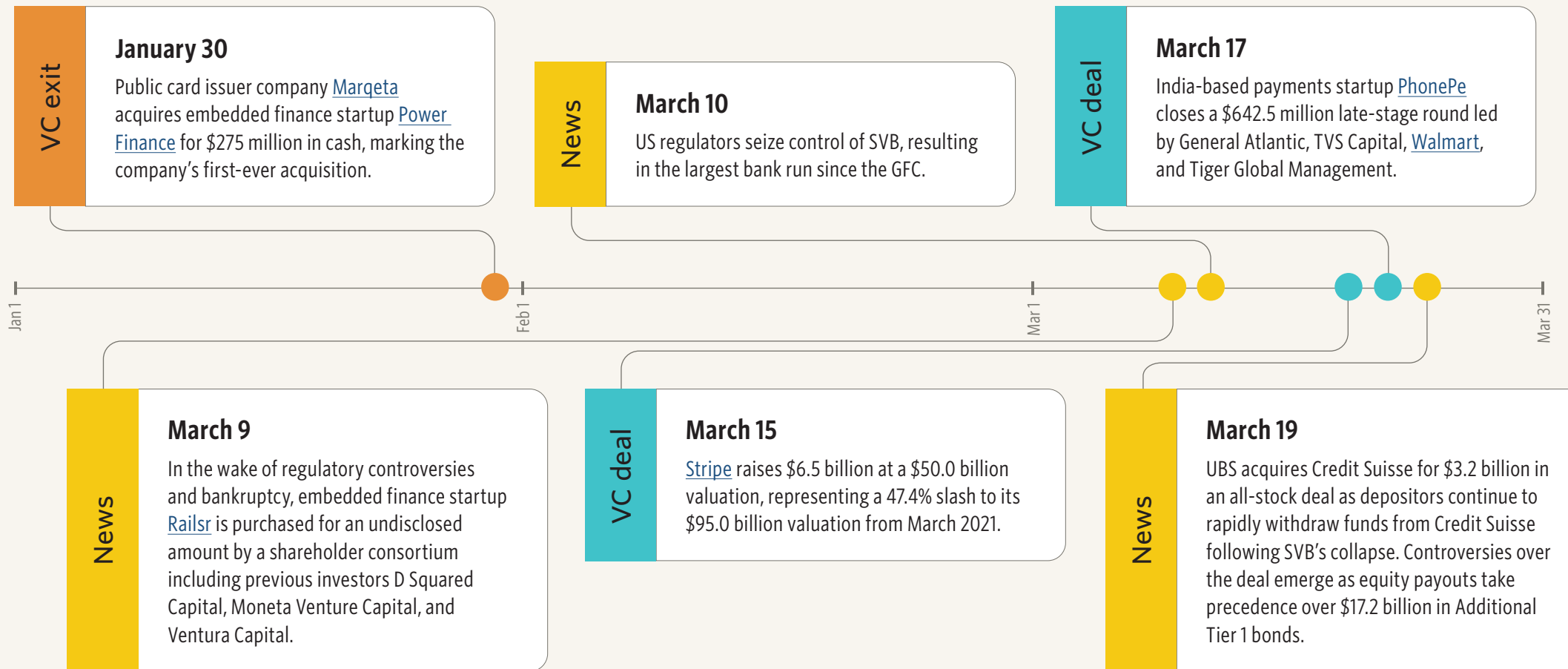
## Publishing

Report designed by **Drew Sanders**

Published on April 27, 2023



# Q1 2023 timeline



## Q1 VC deal count summary

**336**  
total deals

**-20.0%**  
QoQ growth

**-41.9%**  
YoY growth

**-19.9%**  
YTD growth

## Q1 VC deal value summary

**\$11.8B**  
total deal value

**140.4%**  
QoQ growth

**-19.9%**  
YoY growth

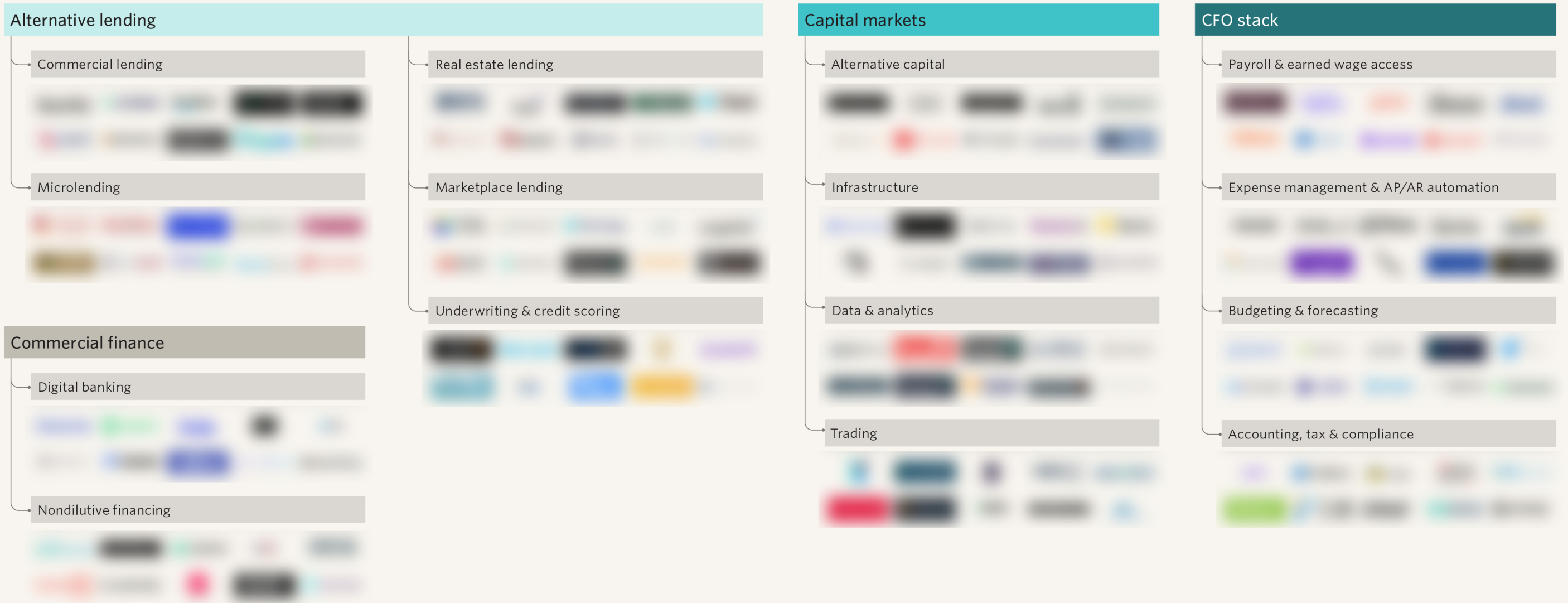
**-19.9%**  
YTD growth



# Enterprise fintech VC ecosystem market map

Click to view the interactive market map on the PitchBook Platform.

Market map is a representative overview of venture-backed or growth-stage providers in each segment. Companies listed have received venture capital or other notable private investments.





# Enterprise fintech VC ecosystem market map

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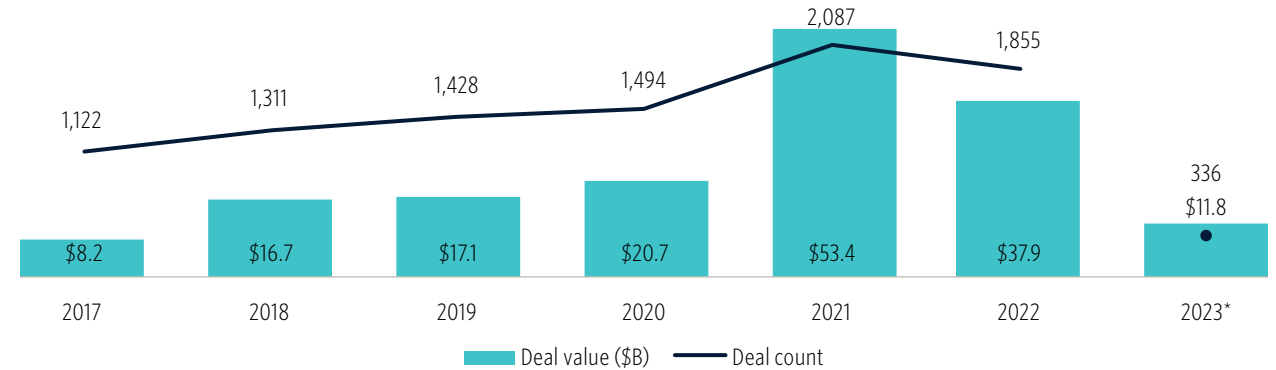
# VC activity

Enterprise fintech VC deal activity appeared to rebound in Q1, rising 140.4% QoQ to \$11.8 billion. However, \$6.5 billion of VC funding this quarter was raised by [Stripe](#). Excluding [Stripe's](#) deal, Q1 deal value remained close to flat in comparison with Q4 2022's deal value, increasing by only 7.6% QoQ; on a YoY basis, it was down considerably by 64.1%, but VC deal value remained relatively in line with the quarters preceding 2021. We anticipate VC activity will stay at similar levels throughout 2023, given current market volatility and caution in the banking sector.

Notably, investors continue to prefer opportunities in B2B: Enterprise fintech companies captured 79.7% of total fintech VC deal value in Q1. As we highlighted in prior reports, this is likely because numerous gaps remain to be filled in B2B, and investments that are less directly exposed to the consumer have generally been deemed as more stable. Late-stage B2B fintech startups constituted most of the top fintech deals this quarter. Aside from [Stripe's](#) latest round, these deals include sustainable capital provider [Generate's](#) \$880.6 million deal, India-based payments provider [PhonePe's](#) \$642.5 million deal, carbon credit marketplace [Xpansiv's](#) \$525.0 million deal, and payroll and HR platform [Rippling's](#) \$500.0 million Series E.

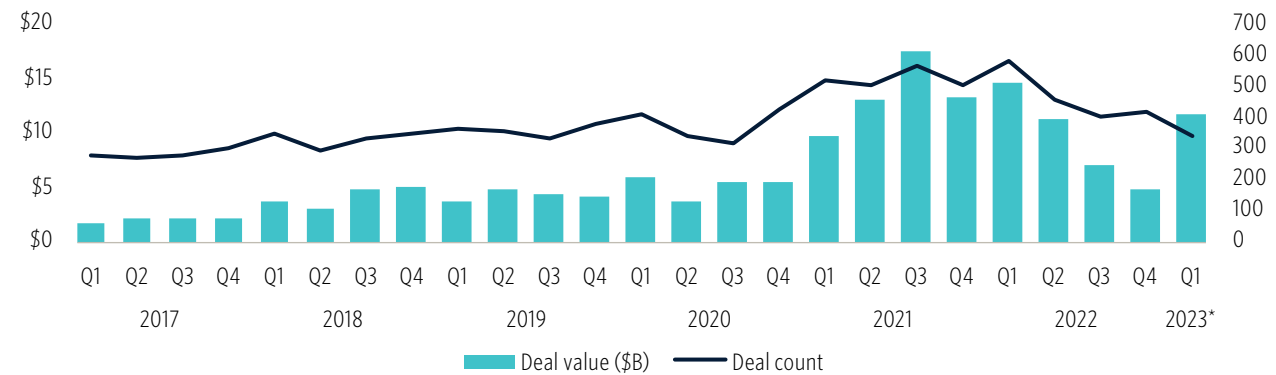
In Q1, the median deal size for enterprise fintech companies was \$4.6 million, down 9.0% from the 2022 median. For angel and seed companies, the median deal size was \$3.1 million, representing a 26.3% increase. However, decreases were seen across all other stages, with the median deal size for the early stage, the late stage, and venture-growth stage declining by 14.1%, 50.2%, and 5.5%, respectively. For pre-money valuation medians, declines were seen across all stages, with the venture-growth median witnessing the greatest decline from 2022 at 90.6%. For angel and seed, early-stage, and late-stage deals, pre-money valuation medians were down by 10.0%, 7.6%, and 24.5%, respectively. This is unsurprising, given private market valuations are still lagging behind those of their public peers.

## Enterprise fintech VC deal activity



Source: PitchBook • Geography: Global • \*As of March 31, 2023

## Enterprise fintech VC deal activity by quarter



Source: PitchBook • Geography: Global • \*As of March 31, 2023



## VC ACTIVITY

### Key enterprise fintech angel and seed deals\*

Company	Close date (2023)	Segment	Category	Deal value (\$M)	Post-money valuation (\$M)	Lead investor(s)
<a href="#">Tranch</a>	January 24	Commercial finance	Nondilutive financing	\$100.0	N/A	FoundersX Ventures, Soma Capital
<a href="#">BridgeWise</a>	January 31	Capital markets	Trading	\$13.0	N/A	Group 11
<a href="#">Payabli</a>	March 15	Payments	Payment platforms & POS	\$12.0	N/A	TTV Capital
<a href="#">40Seas</a>	January 10	Commercial finance	Nondilutive financing	\$11.0	N/A	Team8
<a href="#">Paybook</a>	March 10	Financial services infrastructure	Platforms & APIs	\$10.0	N/A	Point72 Ventures
<a href="#">Ledge</a>	February 16	CFO stack	Expense management & AP/ AR automation	\$9.0	N/A	FJ Labs, New Enterprise Associates, Vertex Ventures Israel
<a href="#">Hypernative</a>	January 30	Regtech	Crime surveillance & fraud detection	\$9.0	N/A	Boldstart Ventures
<a href="#">Sydecar</a>	January 5	CFO stack	Accounting, tax & compliance	\$8.1	\$58.0	N/A
<a href="#">Zitti</a>	January 19	CFO stack	Expense management & AP/ AR automation	\$8.0	\$17.7	Crossbeam Venture Partners, Oceans Ventures, Serena Ventures
<a href="#">Cleareye.ai</a>	March 29	Financial services infrastructure	Enterprise architecture	\$7.5	N/A	N/A

Source: PitchBook • Geography: Global • \*As of March 31, 2023



## VC ACTIVITY

### Key enterprise fintech VC exits\*

Company	Close date (2023)	Category	Exit value (\$M)	Exit type	Acquirer(s)/index	Valuation step-up
<a href="#">Digiasia Bios</a>	February 15	Platforms & APIs	\$400.0	Reverse merger	StoneBridge Acquisition	0.9x
<a href="#">Power</a>	February 3	Platforms & APIs	\$275.0	M&A	Marqeta	N/A
<a href="#">Advicefront</a>	January 25	Advisortech	\$4.6	Buyout/LBO	CPP Investments, Caisse de dépôt et placement du Québec, FNZ, Generation Investment Management, Motive Partners, Summit Partners, Temasek Holdings	N/A
<a href="#">Ignium</a>	February 14	Alternative capital	\$4.3	M&A	Coinmetro	N/A
<a href="#">Nivaura</a>	February 2	Infrastructure	N/A	M&A	NowCM	N/A
<a href="#">COMPEON</a>	January 17	Microlending	N/A	M&A	Dock Financial	N/A
<a href="#">CrowdForce</a>	March 14	Platforms & APIs	N/A	M&A	FairMoney	N/A
<a href="#">Comma</a>	March 7	Payment platforms & POS	N/A	M&A	Weavr	N/A
<a href="#">BXblue</a>	February 7	Payroll & earned wage access	N/A	M&A	PicPay	N/A
<a href="#">Roostify</a>	February 22	Platforms & APIs	N/A	Buyout/LBO	Ares Management, Blum Capital Partners, CoreLogic, Insight Partners, Norwest Venture Partners, Serent Capital, Stone Point Capital	N/A

Source: PitchBook • Geography: Global • \*As of March 31, 2023





## SELECT COMPANY HIGHLIGHTS: MONNAI



Founded  
**2021**

**Location**  
San Francisco, CA

**Total raised:**  
\$10.1M

**Last financing:**  
\$6.5M

**Last financing valuation:**  
\$18.6M

### Overview

[Monnai](#) is an aggregator of consumer data inputs that provides its customers with infrastructure to help make better decisions around onboarding, KYC, underwriting, and risk monitoring. The company aims to be a single source of truth for consumer insights and currently provides real-time access to globally sourced identity and behavior data for more than 5 billion consumers. In addition, [Monnai](#) incorporates AI to enhance decision-making and fraud detection. Customers using [Monnai](#)'s platform can quickly integrate data sources through a single application programming interface and contextualize data inputs with low-code and no-code solutions.

Accordingly, fintech companies utilizing [Monnai](#)'s data infrastructure can benefit from faster time to market by reducing the complexity and resources dedicated toward building out database connections

for KYC and risk monitoring. [Monnai](#) has reported that its customers have seen a 99% success rate in detecting fraudulent identities, a 40% increase in approval rates, and 30% to 40% reductions in default rates.<sup>5</sup> Looking ahead, [Monnai](#) plans to use the \$6.5 billion in funding from its latest Series A round to expand its presence in emerging markets and to enhance the capabilities of its AI.

### Leadership

[Monnai](#) is led by its two co-founders, Pierre Demarche and Ravish Patel. Demarche serves as the company's CEO and was previously Chief Strategy Officer for TeleSign, a director at BICS, and Product Manager at Proximus. Patel, who is [Monnai](#)'s Chief Product Officer, was formerly a VP of Identity at TeleSign and Product Manager at BICS. Both Demarche and Patel bring global experience from working in more than 40 countries over the past 15 years.

<sup>5</sup>: ["Announcing Our Series A Led by Tiger Global," Pierre Demarche, Monnai, March 9, 2023.](#)