

# Market Update 3Q25

PNC's FinTech team shares updates regarding capital raising, M&A, fundraising and valuations across the FinTech segment.



## 3Q25 FinTech Industry Trends

### The U.S. continued to lead global deal share in 3Q25.

The U.S. (44%) contributed the majority of the global deal share followed by Asia (24%) and Europe (18%). U.S. FinTech funding increased by 5% QoQ across 346 deals. Europe funding decreased 18% to \$1.4B across 142 deals.

### Global unicorn births remained flat for the quarter.

3Q25 saw 3 unicorn births with 1 in the U.S. (Zero Hash at \$1.0B).

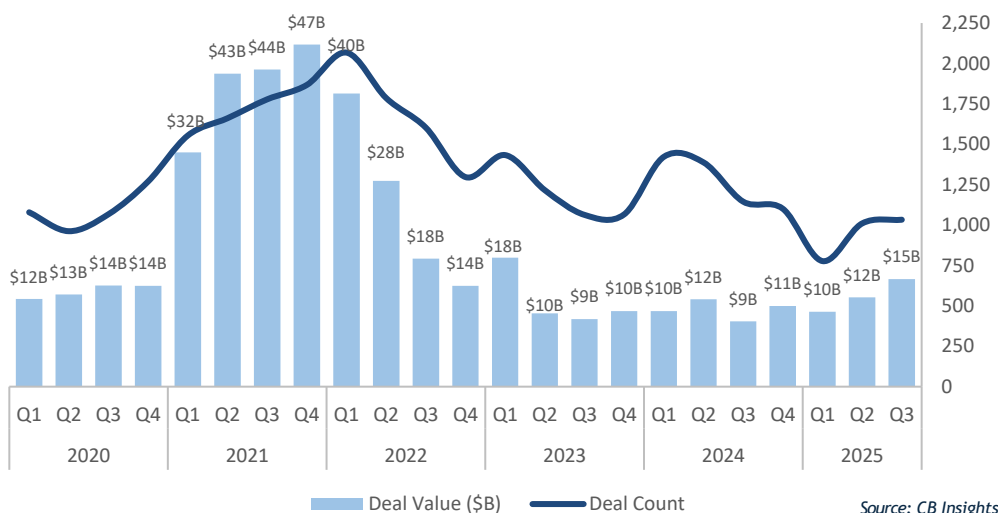
### 3Q25 funding increased by 20% QoQ.

FinTechs raised \$14.8B across 1,033 deals in 3Q25. Deal volume for the quarter was propped up by Polymarket's \$2.0B round, which valued the company at \$9.0B. \$100MM+ rounds accounted for 40% of all funding as investors continue to shift towards larger investments. Year-to-date median deal sizes are more than 35% above 2024 levels. AI-enabled companies accounted for 23% of deal share, highlighting sustained investor interest.

### FinTech M&A and IPO exit volume increased by 12% QoQ.

2025 is on pace to be the most active year ever for FinTech M&A; year-to-date deal count of 1,350 is approaching the record level of 1,496 set in 2021. 3Q25 saw the highest ever quarterly level of \$1B+ M&A deal announcements.

## Global FinTech Venture Capital (VC) Deal Activity



\*Quarter-over-Quarter (QoQ)

## Capital Raising and M&A Highlights

### 3Q25 Key Statistics<sup>1</sup>

# \$14.8B

VC Financing Volume

↑ 20% QoQ

↑ 64% YoY

Source: CB Insights

# 1,033

VC Financing Transactions

↑ 2% QoQ

↓ 10% YoY

Source: CB Insights

# \$84B

IPO / M&A Exit Volume

↑ 12% QoQ

↑ 115% YoY

Source: CB Insights

# 461

IPO / M&A Exit Transactions

↑ 1% QoQ

↑ 19% YoY

Source: CB Insights

Key M&A Deals (\$MM)<sup>1</sup>

Company	Acquirer	Segment	Exit Size	Rev Multiple
<b>RISK</b> strategies	Brown & Brown	InsurTech	\$9,825	-
<b>CORE SCIENTIFIC</b>	CoreWeave	Digital Assets	\$9,000	22.4x
<b>intermax</b> INTERNATIONAL MONEY EXCHANGES	Western Union	PayTech	\$657	1.0x
<b>ALLOYX</b>	SLOWIN	Digital Assets	\$350	-
<b>CoreCARD</b> CORPORATION	Euronet	PayTech	\$248	3.8x
<b>rail</b>	ripple	PayTech	\$200	-
<b>accessone.</b>	Phreesia	PayTech	\$160	4.6x

Key IPOs (\$MM)<sup>1</sup>

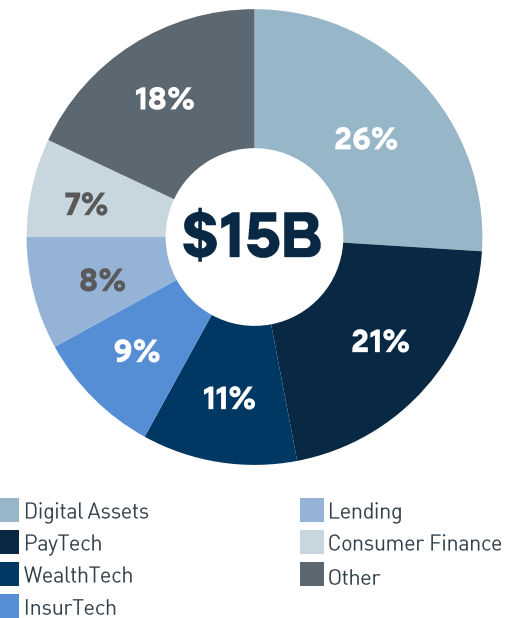
Company	Deal Status	Segment	Exit Size	Price to Revenue
<b>Klarna</b>	Complete	Consumer Finance	\$1,372	5.3x
Bullish	Complete	Digital Assets	\$1,110	0.1x
<b>FIGURE</b>	Complete	Digital Assets	\$788	16.9x
ACCELERANT	Complete	InsurTech	\$724	6.6x
GEMINI	Complete	Digital Assets	\$425	24.0x
<b>miax</b>	Complete	Capital Markets	\$345	1.5x
<b>ETHOS</b>	Announced	InsurTech	\$100	-

Key VC Deals (\$MM)<sup>1</sup>

Company	Segment	Deal Size	Valuation
Polymarket	Capital Markets	\$2,000	\$9,000
<b>ramp</b>	Enterprise	\$514	\$2,530
kraken	Digital Assets	\$500	\$15,000
<b>Rapyd</b>	PayTech	\$500	\$4,500
<b>ID.me</b>	Enterprise	\$340	\$2,000
<b>BILT</b> REWARDS	PayTech	\$250	\$10,750
<b>kin.</b>	InsurTech	\$250	\$2,000
VIVA FINANCE	Consumer Finance	\$220	-
appzen	Enterprise	\$180	-

## Venture Funding Highlights

## 3Q25 Global VC Deal Activity by Segment

Key LBOs (\$MM)<sup>1</sup>

Company	Acquirer	Segment	Exit Size	Rev Multiple
meridianlink	Centerbridge	Enterprise	\$ 2,000	6.1x
ELEVATE PATIENT FINANCIAL SOLUTIONS	Audax Group	InsurTech	\$ 565	-

Most Active FinTech VC Investors by Deals<sup>2</sup>

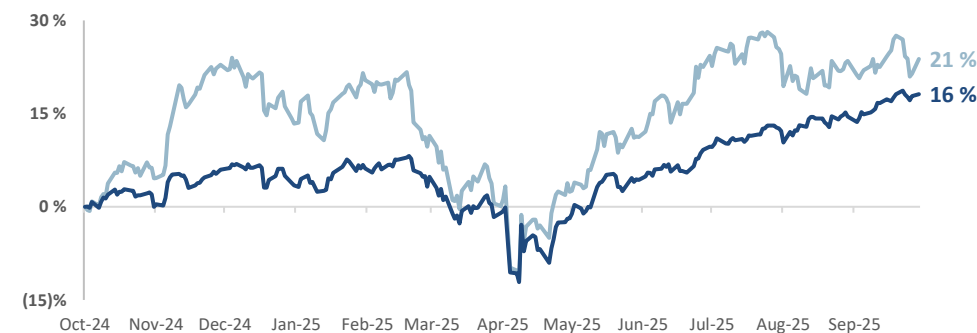
Investor	3Q25 YTD	3Q24 YTD	2024 FY
Combinator	40	12	20
andreessen horowitz	32	27	34
GENERAL CATALYST	27	12	20
<b>SEQUOIA</b>	20	20	24
<b>FJ LABS</b>	19	19	19
QED INVESTORS	19	16	22
endeavor CATALYST	18	10	17
Alumni Ventures	15	15	22
<b>Ribbit Capital</b>	14	8	14

<sup>2</sup> Revenue multiples based on 2025 Estimates; Source: PitchBook, FT Partners.

<sup>3</sup> Excludes deals under \$5MM; Source: PitchBook.

## Valuation & Public Market Indicators

### Global X FinTech ETF Index vs. S&P 500 LTM 3Q24



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PNC FinTech works directly with FinTech companies to develop innovative financial solutions with leading banking and payments services and expertise. For more information, reach out to the PNC FinTech team or [click here to learn more](#).

1-Year Stock Return <sup>1</sup>			EV/2025E Revenue (First quartile, median and third quartile)		EV/2025E EBITDA (First quartile, median and third quartile)		
FinTech Sub-Segments							
S&P 500	↑	16 %	1.9x ● 3.5x ● 6.2x		10.6x ● 14.8x ● 19.7x		
Public FinTechs	↑	21 %	1.7x ● 4.0x ● 6.3x		10.6x ● 16.1x ● 25.5x		
Capital Markets	↑	24 %	3.1x ● 5.5x ● 9.6x		9.8x ● 13.8x ● 18.6x		
Real Estate	↑	9 %	1.1x ● 5.3x ● 7.5x		13.4x ● 20.0x ● 24.2x		
Enterprise	↓	(2)%	3.7x ● 5.1x ● 5.9x		11.9x ● 16.6x ● 20.7x		
Data & Analytics	↓	(13)%	3.1x ● 4.7x ● 9.8x		12.1x ● 14.8x ● 21.8x		
WealthTech	↑	15 %	3.1x ● 4.4x ● 5.8x		10.8x ● 11.9x ● 13.6x		
Lending	↑	15 %	2.1x ● 4.4x ● 5.7x		9.3x ● 11.9x ● 17.1x		
InsurTech	↑	3 %	0.9x ● 3.3x ● 6.1x		7.8x ● 14.3x ● 18.2x		
PayTech	↑	2 %	1.3x ● 2.8x ● 5.4x		6.3x ● 9.7x ● 16.1x		

Source: Trading multiples based on share price, other market data, and broker consensus future earnings estimates from S&P Capital IQ and Houlihan Lokey FinTech Market Update.

<sup>1</sup> As of 9/30/25

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