

Market Update 4Q25

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



4Q25 FinTech Industry Trends

4Q25 funding increased by 41% QoQ.

FinTechs raised \$20.9B across 984 deals in 4Q25. Deal volume for the quarter was propped up by Revolut's \$3.0B funding round, which valued the company at \$75.0B. 63% of funding went to just 29 large deals, while early-stage funding fell to a multi-year low. Average deal sizes for cryptocurrency companies increased 90% year-over-year, as digital asset providers played an outsized role in funding for the quarter.

The U.S. continued to lead global deal share in 4Q25.

The U.S. (45%) contributed the majority of the global deal share followed by Asia (21%) and Europe (20%). U.S. FinTech funding increased by 65% QoQ across 365 deals. Europe funding increased 57% to \$2.2B across 161 deals.

Global unicorn births increased 133% for the quarter.

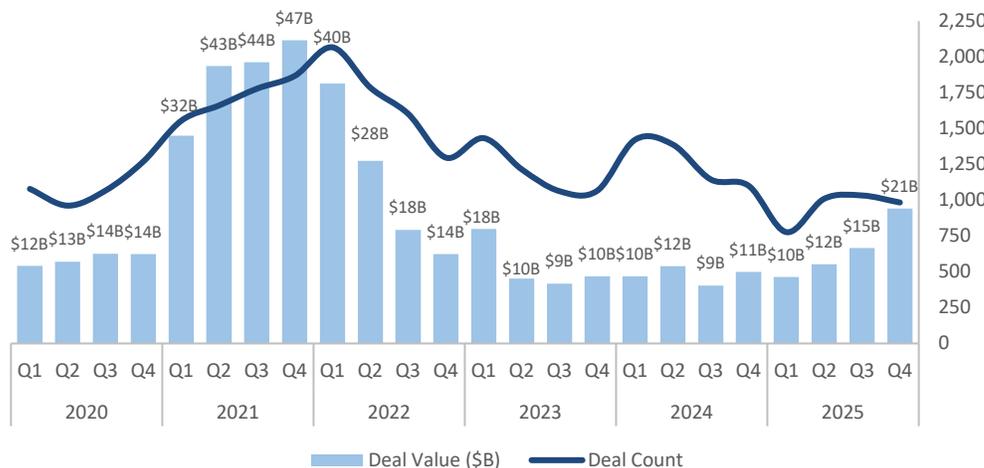
4Q25 saw 7 unicorn births with 4 in the U.S. (Polymarket, Lighter, Nirvana, Imprint).

FinTech M&A and IPO exit volume decreased by 42% QoQ.

2025 represented the highest annual FinTech M&A deal activity on record. For the first time, scaled FinTech companies made more FinTech acquisitions than legacy financial institutions and banks. Cross-border M&A activity also reached record levels and accounted for 40% of all strategic M&A deals.

Source: CB Insights

Global FinTech Venture Capital (VC) Deal Activity



Source: CB Insights

Capital Raising and M&A Highlights

4Q25 Key Statistics¹

\$20.9B

VC Financing Volume

↑ 41% QoQ

↑ 89% YoY

984

VC Financing Transactions

↓ (5)% QoQ

↓ (11)% YoY

\$49B

IPO / M&A Exit Volume

↓ (42)% QoQ

↑ 206% YoY

409

IPO / M&A Exit Transactions

↓ (11)% QoQ

↑ 14% YoY

Source: CB Insights

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Key 4Q25 M&A Deals (\$MM)¹

Company	Acquirer	Segment	Exit Size	Rev Multiple
melio	xero	PayTech	\$2,500	-
GoCardless	mollie	PayTech	\$1,280	-
HiddenRoad	ripple	Digital Assets	\$1,250	-
GTreasury	ripple	Digital Assets	\$1,000	-
Best Egg	BARCLAYS	Consumer Finance	\$800	-
guideline	gusto	WealthTech	\$600	-
Forge	charles SCHWAB	WealthTech	\$573	6.2x
accessone.	Phreesia	InsurTech	\$160	4.6x
CURVE	LLOYDS	PayTech	\$158	-
the SMALL exchange	kraken	Capital Markets	\$100	-
dynamic	Fireblocks	Digital Assets	\$90	-
Alto	public	Digital Assets	\$65	-

Key 4Q25 IPOs (\$MM)¹

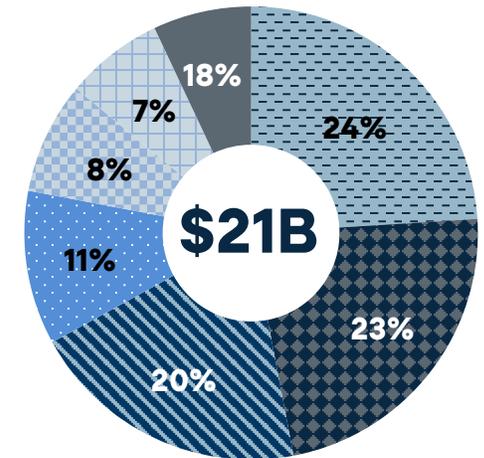
Company	Deal Status	Segment	Exit Size	Price to Revenue
NAVAN	Complete	Enterprise	\$923	10.1x
wealthfront	Complete	WealthTech	\$485	6.1x

Key 4Q25 VC Deals (\$MM)¹

Company	Segment	Deal Size	Valuation
Revolut	Consumer Finance	\$3,000	\$75,000
Polymarket	Digital Assets	\$2,000	\$9,000
Kalshi	Digital Assets	\$1,000	\$11,000
kraken	Digital Assets	\$800	\$20,000
Wealthsimple	WealthTech	\$536	\$7,150
ripple	Digital Assets	\$500	\$40,000
Tempo	Digital Assets	\$500	\$5,000
Erebor	Digital Assets	\$350	\$4,350
Airwallex	PayTech	\$330	\$8,000

Venture Funding Highlights

4Q25 Global VC Deal Activity by Segment



- Lending
- Digital Assets
- PayTech
- Consumer Finance
- WealthTech
- InsurTech
- Other

Source: CB Insights

Key 4Q25 LBOs (\$MM)¹

Company	Acquirer	Segment	Exit Size	Rev Multiple
CLEARWATER ANALYTICS	WARBURG PINCUS PERMIRA	Data & Analytics	\$8,400	13.1x
SAPIENS	Advent International	InsurTech	\$2,500	4.4x

Most Active FinTech VC Investors by Deals²

Investor	2025 FY	2024 FY	2023 FY
Combinator	52	20	25
andreessen horowitz	39	32	31
GENERAL CATALYST	29	20	17
SEQUOIA	26	24	25
Alumni Ventures	22	23	15
ENDEAVOR CATALYST	21	18	12
FJ LABS	21	20	22
QED INVESTORS	21	21	11
Ribbit Capital	21	13	9

¹ As of 12/31/25. Revenue multiples based on 2025 Estimates; Source: PitchBook, FT Partners.
² Excludes deals under \$5MM; Source: PitchBook.

FinTech 2025 – Year in Review

FY 2025 Key Statistics¹

\$60B

VC Financing Volume

↑ 43% QoQ

4,415

VC Financing Transactions

↓ (13)% QoQ

\$264B

IPO / M&A Exit Volume

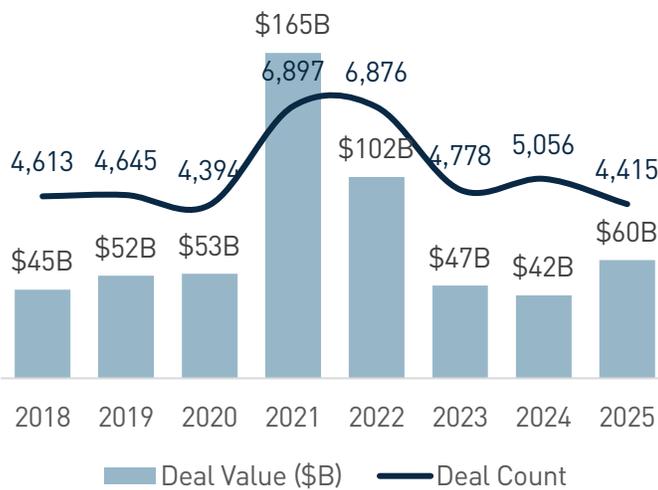
↑ 40% QoQ

1,763

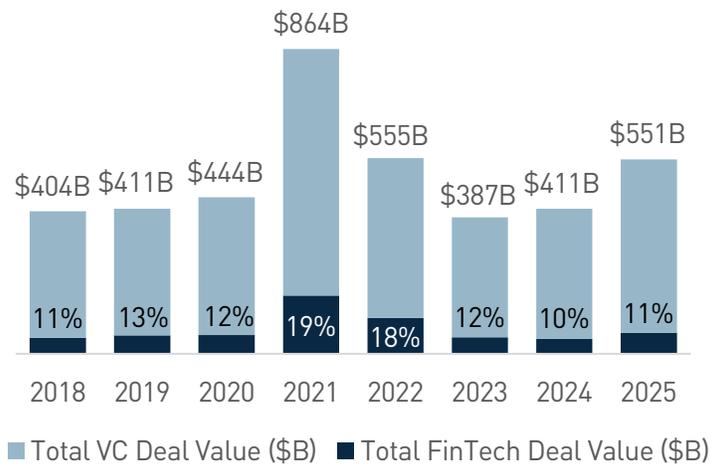
IPO / M&A Exit Transactions

↑ 25% QoQ

Annual Global FinTech VC Deal Activity



Global & FinTech Venture Capital Deal Value



Key 2025 M&A Deals (\$MM)

Company	Acquirer	Segment	Exit Size	Quarter
worldpay	globalpayments	PayTech	\$24,250	2Q25
TSYS	FIS	PayTech	\$12,000	2Q25
RISK strategies	Brown & Brown	InsurTech	\$9,825	3Q25
CORE SCIENTIFIC	CoreWeave	Digital Assets	\$9,000	3Q25
Deribit	coinbase	Digital Assets	\$2,900	2Q25
Commonwealth	LPL Financial	WealthTech	\$2,700	1Q25
NEXT	ERGO A Munich Re company	InsurTech	\$2,600	1Q25
melio	xero	PayTech	\$2,500	4Q25

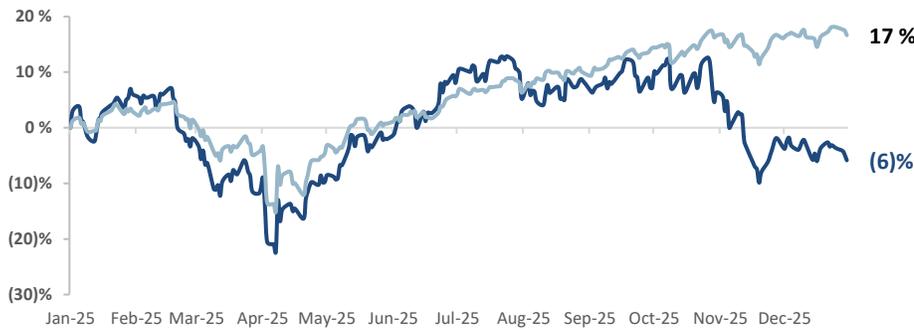
Key 2025 Venture Capital Deals (\$MM)

Company	Segment	Deal Size	Valuation	Quarter
Revolut	Consumer Finance	\$3,000	\$75,000	4Q25
Polymarket	Digital Assets	\$2,000	\$9,000	4Q25
BINANCE	Digital Assets	\$2,000	N/A	1Q25
Kalshi	Digital Assets	\$1,000	\$11,000	4Q25
Kraken	Digital Assets	\$800	\$20,000	4Q25
PLAID	Data & Analytics	\$575	\$6,100	2Q25
ramp	Enterprise	\$514	\$2,530	3Q25
RIPLING	Enterprise	\$460	\$16,800	2Q25

Sources: PitchBook; FT Partners

Valuation & Public Market Indicators

Global X FinTech ETF Index vs. S&P 500 LTM 4Q25



Source: S&P Capital IQ

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FinTech Sub-Segments	1-Year Stock Return ¹	EV/2025E Revenue (First quartile, median and third quartile)		EV/2025E EBITDA (First quartile, median and third quartile)			
S&P 500	↑ 17%	2.0x	3.8x	6.5x	11.2x	15.2x	20.7x
Public FinTechs	↓ (6)%	1.7x	3.8x	5.9x	10.4x	15.6x	25.5x
Capital Markets	↑ 20%	3.4x	5.1x	8.9x	10.4x	12.9x	18.3x
Real Estate	↓ (1)%	1.2x	4.6x	7.0x	14.0x	20.5x	23.7x
Enterprise	↓ (17)%	3.3x	4.5x	6.0x	10.9x	15.1x	18.8x
WealthTech	↑ 1%	3.6x	4.3x	5.9x	10.8x	11.3x	12.8x
Data & Analytics	↓ (20)%	2.7x	4.1x	7.9x	11.4x	13.0x	21.6x
Lending	↑ 8%	1.9x	3.8x	5.5x	7.1x	11.9x	16.8x
InsurTech	↓ (7)%	1.0x	3.1x	5.8x	8.1x	13.4x	17.1x
PayTech	↓ (9)%	1.3x	2.5x	4.8x	6.3x	9.5x	15.3x

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.

¹ As of 12/31/25

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