Road to Next

Q1 2025

Revolutionizing fintech: A pivotal moment for digital assets

Deloitte.

Data provided by PitchBook

Editorial team

"Innovations in fintech, such as green fintech, wealthtech, and decentralized finance, are creating opportunities for new entrants and transforming traditional financial models."

Heather Gates

Audit & Assurance Private Growth Leader, Deloitte & Touche LLP

With more than 30 years of financial services experience, Heather serves as the national Private Growth leader, with oversight of the Deloitte Private and Emerging Growth Company businesses within Audit & Assurance.

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Deloitte and PitchBook have collaborated to produce a unique methodology for the Road to Next series to better analyze a new segment of companies that emerged in the 2010s. Dubbing this segment the "expansion stage," the methodology uses investment data restricted to late-stage venture capital (VC), private equity (PE) growth, and private corporate financing. In addition, companies must still be privately held by investment firms.

Editorial team

"As we move into the next era of blockchain, global regulatory frameworks are emerging, and innovation is aligning with increased maturity in both infrastructure and compliance."

Rob Massey
Global & US Tax Blockchain & Digital Assets Leader,
Deloitte Tax LLP

Rob is the Tax leader of Deloitte's Blockchain & Digital Assets practice. Since 2012, he has focused on the complex world of blockchain, digital assets, cryptocurrencies, and tokenization, serving clients across the ecosystem. This includes investors, miners, staking providers, payment processors, wallet providers, exchanges, custodians, funds, DAOs, foundations, and entities involved in protocol development.

"The last few years have seen a shift from highs in 2021 to a more focused and strategic approach in crypto investment, driven by regulatory changes and evolving market dynamics."

Brian Hansen
US Audit & Assurance Blockchain & Digital Assets Leader,
Deloitte & Touche LLP

Brian is the US Audit & Assurance Blockchain & Digital Assets leader. He leads strategic initiatives related to the marketplace, resources, and eminence building. He has more than 30 years of experience serving large, complex global organizations and emerging financial institutions, including clients in digital assets, securities, banking, fintech, investment and asset management, and specialty finance.

"Financial enterprises are leading innovation in blockchain, particularly in stablecoin adoption for payments and international remittances, as these use cases have strong economic benefits and minimal regulatory barriers."

Tim Davis
Global & US Risk & Financial Advisory Blockchain & Digital Assets Leader, Deloitte & Touche LLP

Tim is the Risk & Financial Advisory leader of Deloitte's Blockchain & Digital Assets practice and the leader of the Global Center of Excellence for Blockchain Assurance. With more than 30 years of experience at Deloitte, he has made significant contributions to the fields of external audit, risk management, controls and governance, IT audit, data analytics, and M&A services.

Executive summary

A fintech revival may be on the horizon, and digital assets generate fresh excitement

Themes and key findings for this issue

- Cryptocurrency, blockchain & digital assets (CB&DA) have profoundly reshaped the financial technology (fintech) landscape, and momentum is building. Record-high bitcoin prices and anticipated favorable shifts in regulatory treatment in 2025, combined with lessons learned from major infrastructure shake-ups over the past three years, have set the stage for more integration of these assets across the wider fintech universe. Expansion-stage CB&DA dealmaking held steady in 2024 with cumulative deal value just shy of $1 billion across 91 transactions.

- Price volatility, combined with short track records for nascent digital assets, means many investors remain hesitant. Acceptance is growing, however, particularly among retail and individual investors. The private markets are responding in kind to shape the long-term vision of a new and improved financial system, but expansion-stage dealmaking still faces hurdles evidenced by deal value figures that are overshadowed by pandemic-era sums.

- Beyond digital assets, fintech is seeing a slow but steady return to growth in expansion-stage dealmaking with just under 500 deals closed in 2024, down less than 1 percent from the year prior as headwinds slow. Artificial intelligence (AI) is driving up valuations for some fintech companies, increasing momentum and valuations after two years of stagnation.

- In 2024, fintech valuations began to normalize, and buyouts accounted for a greater share of exit activity as the industry recalibrated. 2024 notched a year-over-year (YoY) uptick in cumulative exit value, a positive sign for investors.

Investment trends

As private market sentiment improves, expansion-stage fintech activity regains traction

Deal sizes have experienced a material correction since 2021, but the median check size for both late-stage VC and venture-growth deals rebounded in 2024 with increases of 25 percent and 109.9 percent, respectively. Progressing past the bottoming out of check sizes indicates a path to recovery for fintech companies seeking later-stage funding but also reflects continued caution as the number of companies contributing to those growing check sizes has shrunk. The median deal size for PE-growth/expansion deals continued to decline in 2024 as PE firms reevaluate noncore strategies in an era of heightened risk, though the rate of decline has slowed.

$106.3M

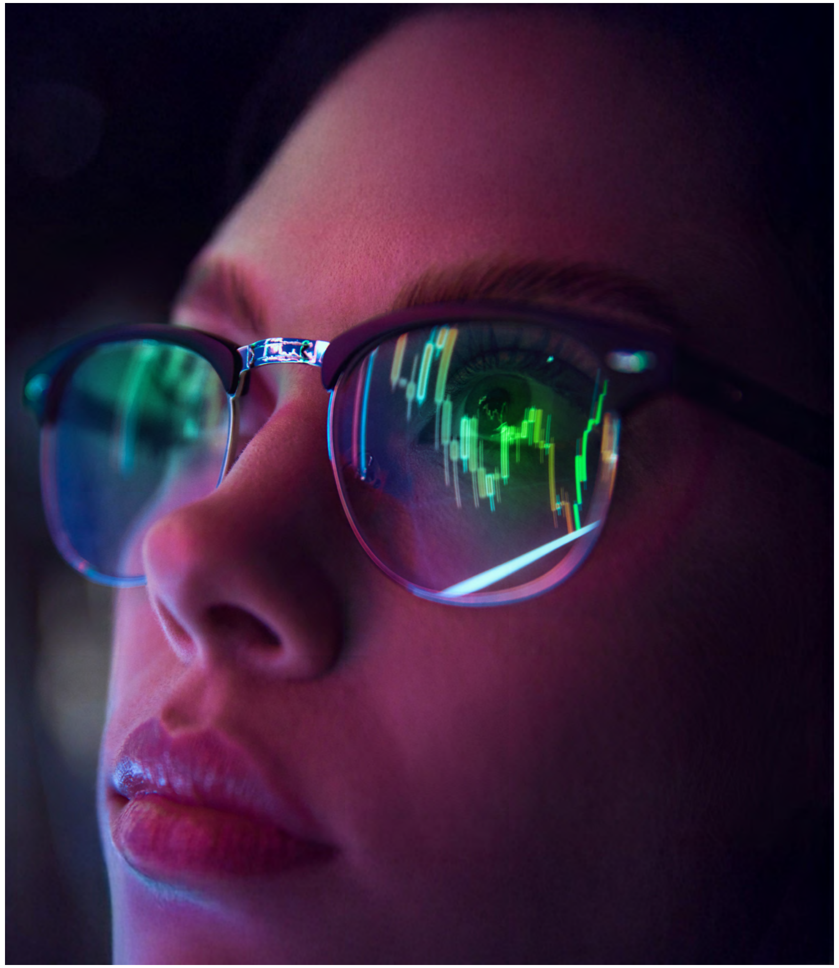
Median fintech pre-money valuation in 2024

331 deals

CB&DA deals since 2022

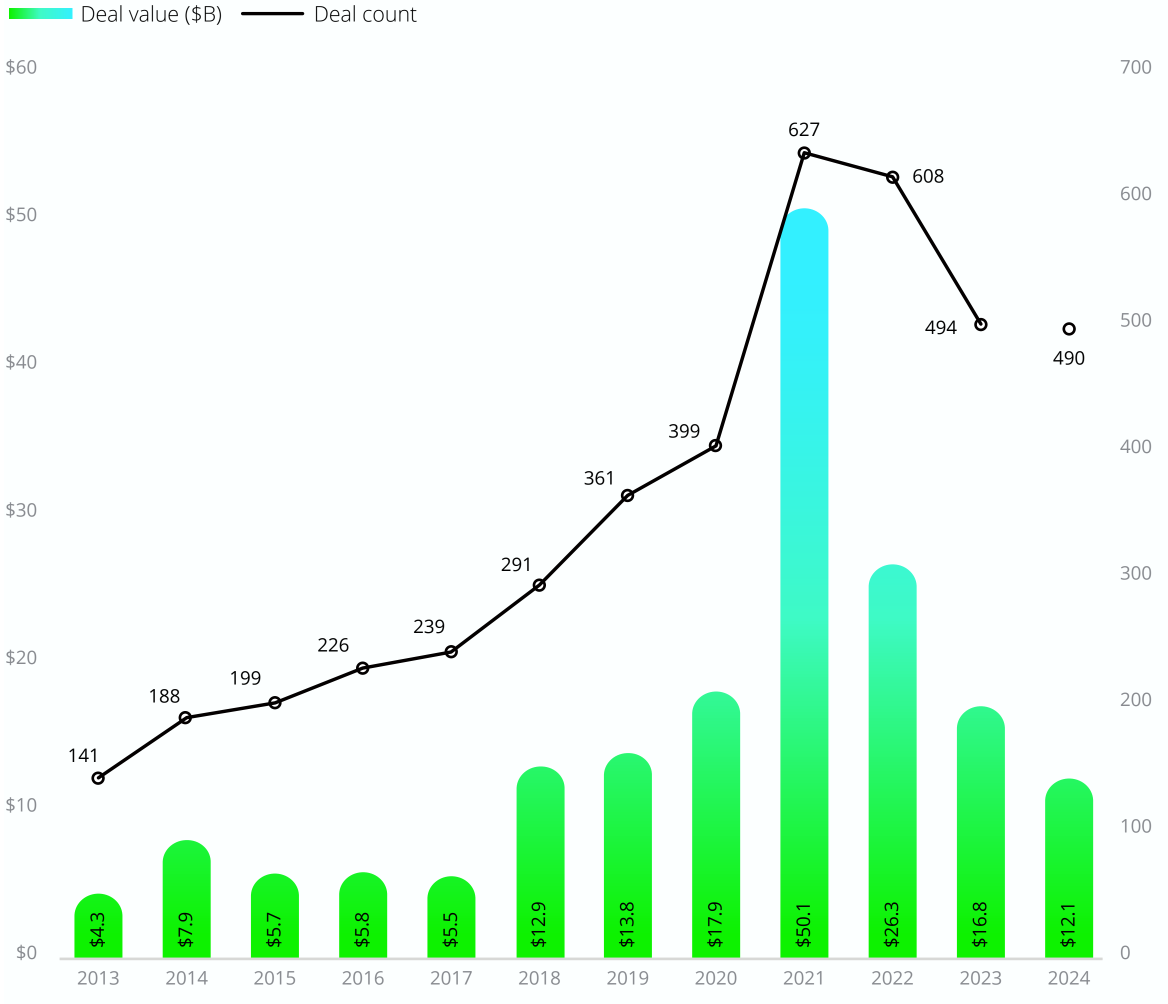
10.3%

Fintech companies that raised an expansion-stage round in 2021 and later exited



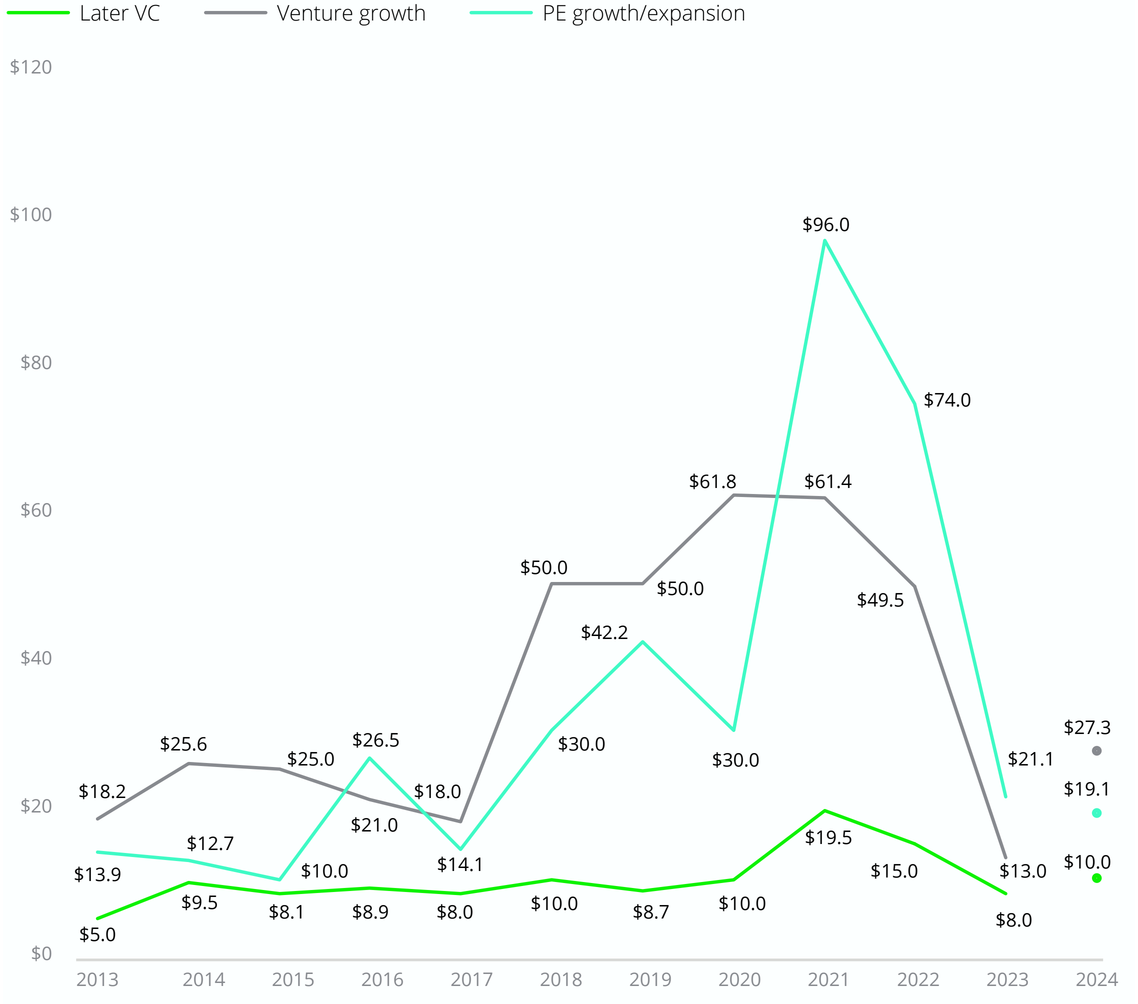
Investment trends

Fintech expansion-stage deal activity



Source: PitchBook | Geography: US | *As of December 31, 2024

Median expansion-stage deal value ($M) by type



Source: PitchBook | Geography: US | *As of December 31, 2024

Investment trends

Technology maturation creates growing pains

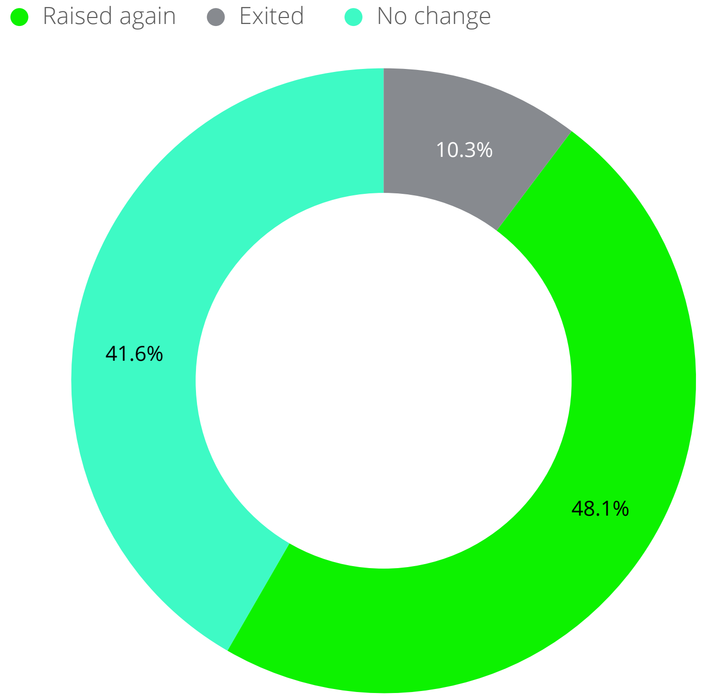
A flood of fintech deals closed between 2018 and 2021 during an era of ultralow interest rates and rapid expansion of cryptocurrencies and e-commerce "buy now, pay later" (BNPL) models, among other emerging financial technologies. 2021 in particular marked a record high for fintech investment. Nearly half of all fintech companies that raised an expansion-stage round that year went on to raise additional equity, just over 10 percent completed an exit, and the remaining 41.6 percent have no record of either activity.

Four years is a long time to bootstrap, and achieving profitability became more difficult beginning in 2022, suggesting that many companies in the third category have ceased operations. With fewer players advancing through the next phase of development, the number of expansion-stage deals declined by 3 percent in 2022, followed by a sharper drop of 18.8 percent in 2023. This trend is beginning to reverse, however, as 2024 deal count represented a YoY decline of less than 1 percent. VC firms play a critical role in the revival of dealmaking in uncertain times. Heather Gates, Audit & Assurance Private Growth leader at Deloitte & Touche LLP, notes that generally speaking, VCs are highly tolerant to risk compared to private equity and non-backed companies. According to Gates, "There is definitely engagement and interest among VCs in this space, and an uptick in advancement in the sector is likely."

Investment trends

Private company valuations faced downward pressure between 2021 and 2023. The average fintech pre-money valuation continued its descent in 2024, falling below the $500 million mark for the first year since 2019, driven in part by outlier markdowns. The median valuation was less skewed by outliers but still demonstrated several swings over the past decade—though it rebounded in 2024 to exceed $100 million. As a software-heavy vertical, fintech is in a correction phase of maturity. Companies must evaluate internal systems for efficiency and transparency, as noted in findings from Deloitte's 2024 Fintech Industry Benchmark Survey.[1] The era of low-cost financing and hypergrowth resulted in saturated markets that, combined with higher interest rates and margin compression, have brought valuations back down since 2021. The downward trend is slowing, but further down rounds can be expected as companies accept this subdued reality when securing their next capital raise.

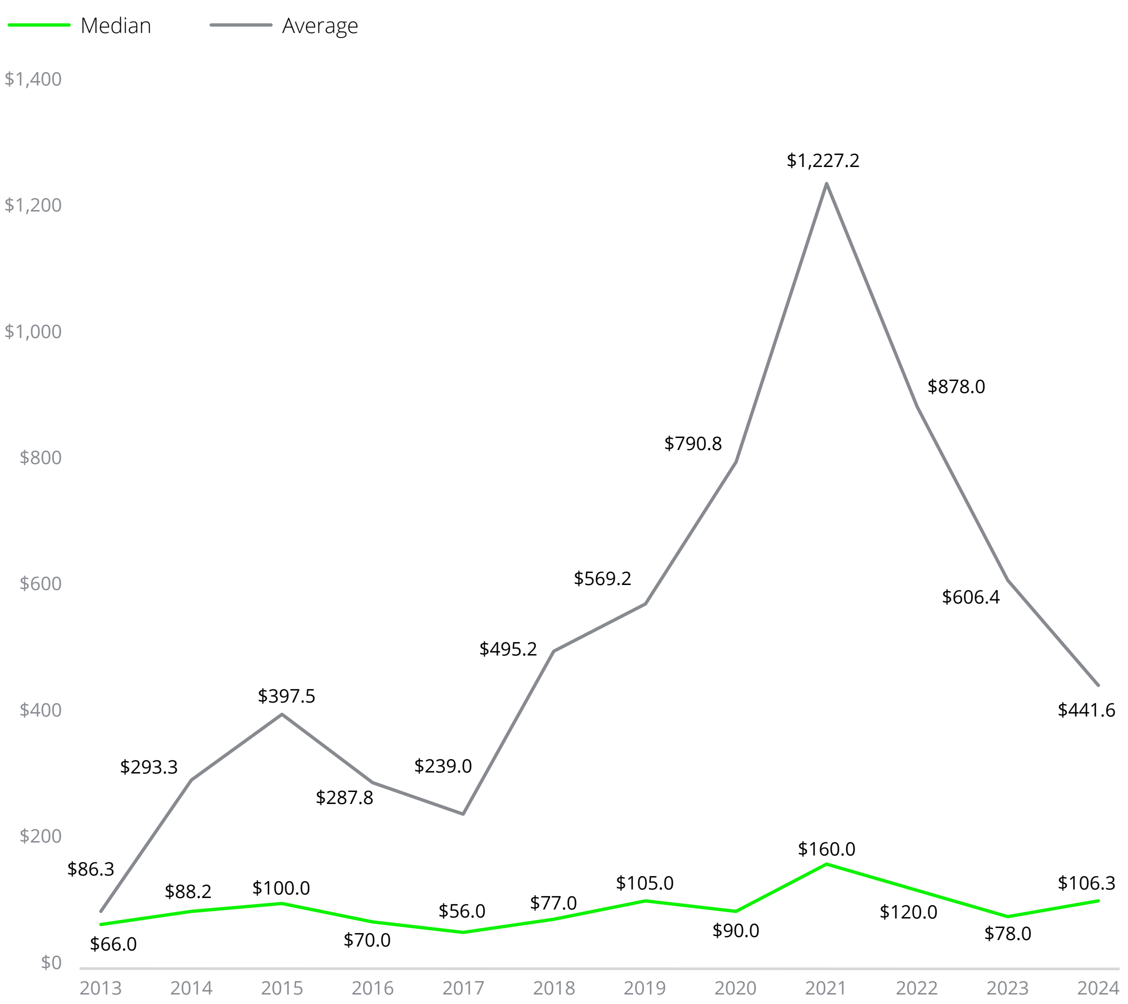
Share of fintech expansion-stage deal value by top CSA



Source: PitchBook | Geography: US | *As of December 31, 2024

Investment trends

Median and average fintech expansion-stage pre-money valuations ($M)



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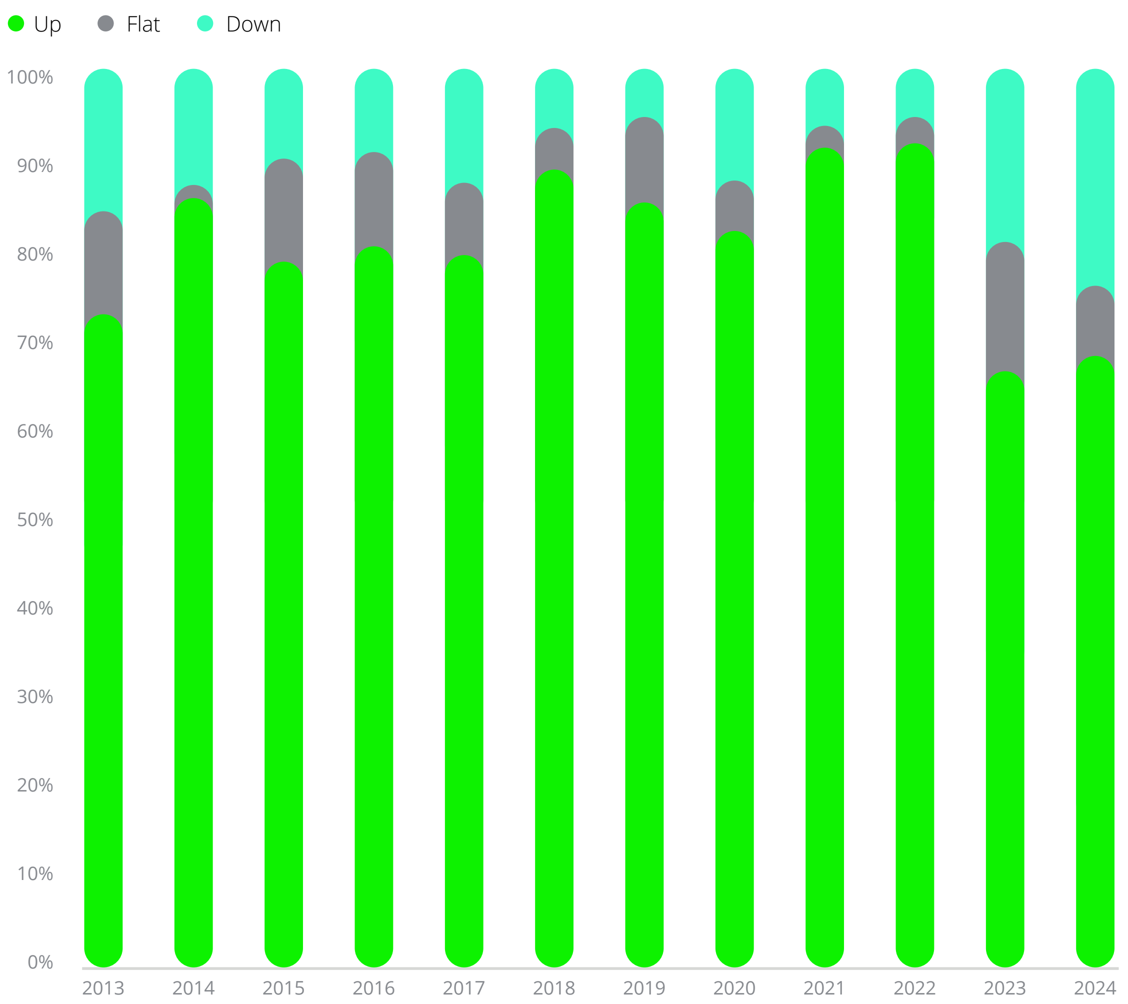
Share of fintech expansion-stage rounds by valuation change



Source: PitchBook | Geography: US | *As of December 31, 2024

Investment trends

Consumer fintech use cases expand as traditional financial systems evolves

The growth of alternative assets, combined with fewer public listings, is amplifying interest in private market investment opportunities among high-net-worth individuals and retail investors. Some asset managers and general partners (GPs) are adapting by offering new fund structures with lower liquidity thresholds and more frequent redemption opportunities. Meanwhile, interest in stock and options trading surged during the pandemic years, and the number of American households directly owning stocks grew from 15 percent to 21 percent between 2019 and 2022, according to the Federal Reserve's (the Fed's) most recent Survey of Consumer Finances.[2]

The increasing number of investors translates to a growing user base for many fintech platforms, which therefore have a vested interest in expanding access and product lines. Platforms offering niche or specialized investment options, such as day trading, alternatives, wine, and real estate, are becoming more prevalent.

Investment trends

Some are poised for consolidation into traditional asset classes as part of a push to expand the suite of investment options in the digital age. Cryptocurrencies and digital assets, examined in depth in the "Spotlight" section beginning on page 17, are among these fast-growing offerings. Lower investment thresholds and simple interfaces offered by many of these platforms increase accessibility for users. With a new wave of engaged investors entering the market, demand for more efficient financial operations will increase, and fintech integrations will rise.

At the expansion stage, investment platforms must face the dual challenge of competing against prominent institutions for users and navigating the impacts of a larger user base seeking ever higher and diversified returns with more data and reporting capabilities.

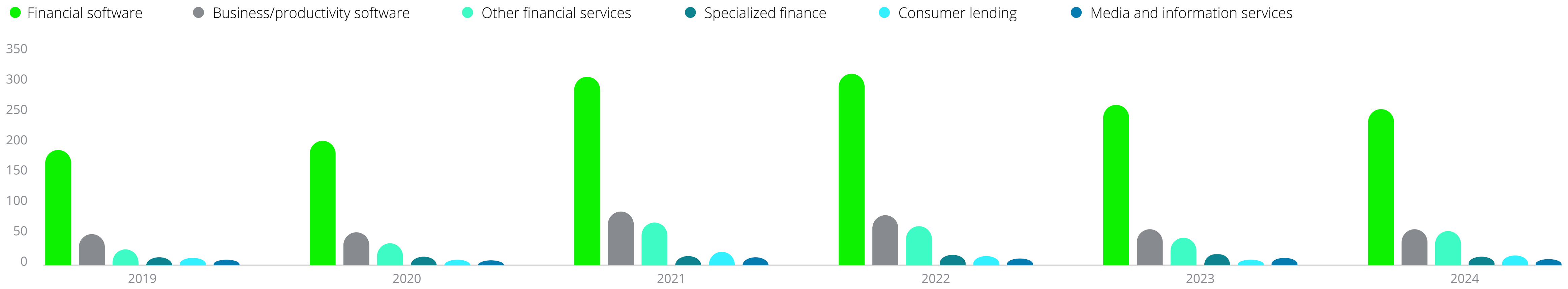
The consumer lending industry notched 16 expansion-stage deals in 2024, demonstrating material growth after a slow year in 2023, when high interest rates and prices compressed consumer spending. Sizable transactions in the past year reflect interest in specialized categories, including consumer mortgages, lending options for low-income individuals, and healthcare financing. The rapid growth of the private credit industry reflects market dynamics like stricter banking regulations and economic headwinds driving more borrowers to nonbank providers.

"There is room for new entrants in every industry, particularly in fintech, where innovations like financial wellness tools, carbon credit trading, and decentralized finance are reshaping the landscape."

Heather Gates
Audit & Assurance Private Growth Leader,
Deloitte & Touche LLP

Investment trends

Fintech expansion-stage deal count by industry



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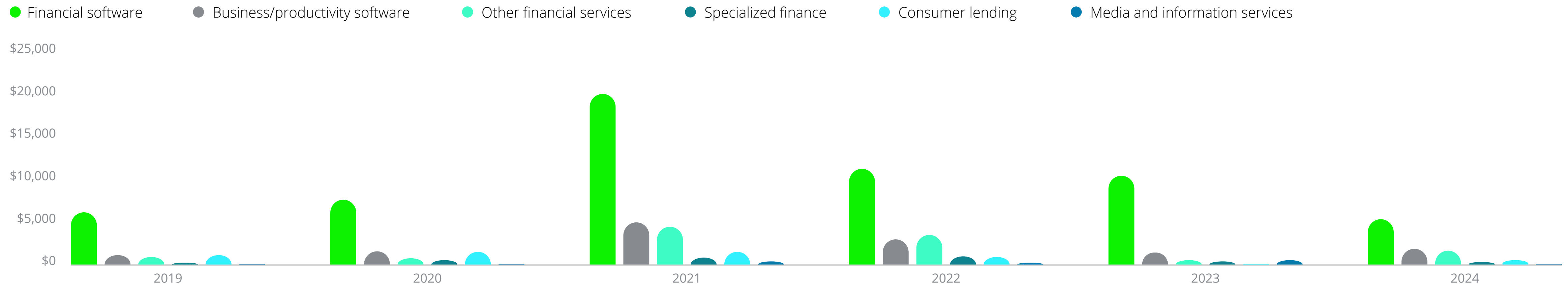
Fintech expansion-stage deal value ($M) by industry



Source: PitchBook | Geography: US | *As of December 31, 2024

Investment trends

Enterprise applications and embracing the AI wave

In enterprise markets, rising operating costs are driving the demand for bottom-line efficiencies. Accelerated payment systems and embedded finance capabilities offer streamlined transactions for businesses and their customers. The role of service providers is also evolving within fintech. Banking-as-a-service (BaaS) companies, which offer third-party banking services, such as accounting tools, deposit products, and payment systems, have gained traction. The BaaS market has grown as banks face operational constraints and demand rises from banking clients for increasingly efficient features.

The Fed's FedNow instant payment service, which launched in 2023, offers a faster cloud-based link between institutions and customers. Still, settlement agents and liquidity providers are necessary to its proper functioning, illustrating how financial infrastructure improvements are a group effort. Payroll processing, digital user experience, fraud prevention, and compliance are among functions with heightened importance in a rapid, always-on payments network.

Incorporating AI capabilities may provide a funding boost for startups, as evidenced by higher average pre-money valuations for companies at the intersection of fintech and AI compared with the overall fintech vertical. Yet, these figures are skewed by outliers, and the influx of capital deployment for AI startups has yet to be broadly stress tested. Investors are wary of an AI bubble, but specialized applications—as opposed to foundational models like large language models—provide more viable positioning within an industry already dominated by a select few giants with balance sheets to match.

Investment trends

Average expansion-stage pre-money valuation ($M) by fintech companies versus fintech and AI companies

Source: PitchBook | Geography: US | *As of December 31, 2024

Fintech AI applications attracted some of the largest expansion-stage financing deals of the past few years. Personalization is a major theme in financial markets that is being amplified by AI. Conversational interactions and curated recommendations are among the draws of AI products, and the ripple effects are already expanding into the financial realm through wealth management and underwriting capabilities, among others.

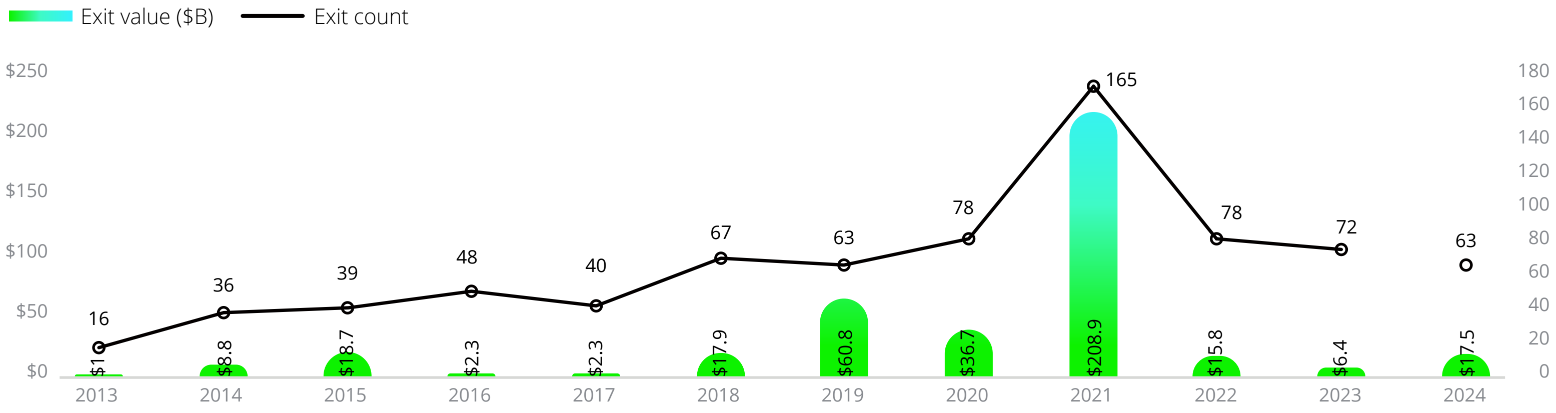
Investment trends

Exit uptick drives outlier public listings and more buyout activity

Exit activity in 2024 showed signs of renewed strength for select players, with total exit value more than doubling despite fewer transactions. At $6.8 billion, Q4 logged the highest quarterly exit value for the sector since Q2 2022. A handful of public listings drove this growth in value, including one de-special purpose acquisition company (de-SPAC) merger and three initial public offerings (IPOs) exceeding $2 billion each. Even so, the total exit count continued to decline as the number of strategic acquisitions—the most common exit type—dropped by nearly 25 percent YoY. PE firms made up for some of this sluggishness in mergers and acquisitions (M&A), with the number of buyouts growing by one-third in the same period, as more fintech companies matured into buyout-worthy profiles.

Expansion-stage fintech companies are still taking longer to exit. The median time between a company's first VC round and exit has trended higher since 2022 but ticked downward from 8.3 to 7.7 years in 2024, while the average time has hovered above eight years since 2019. Investors aim for timely returns, but taking less time to exit is not necessarily an advantage or a guarantee of success. Many companies remain on the sidelines until conditions are more favorable.

Fintech expansion-stage exit activity



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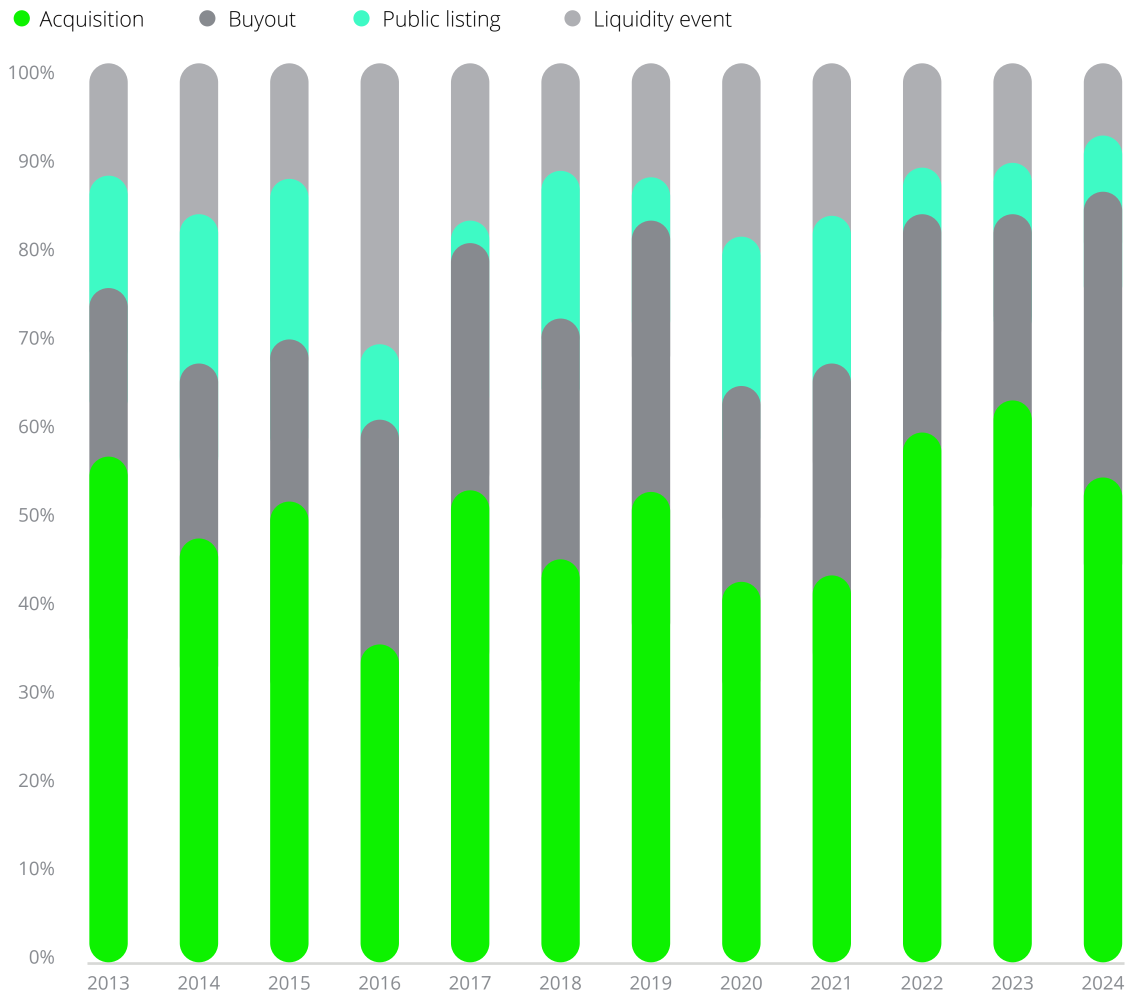
Investment trends

Share of fintech expansion-stage exit count by type



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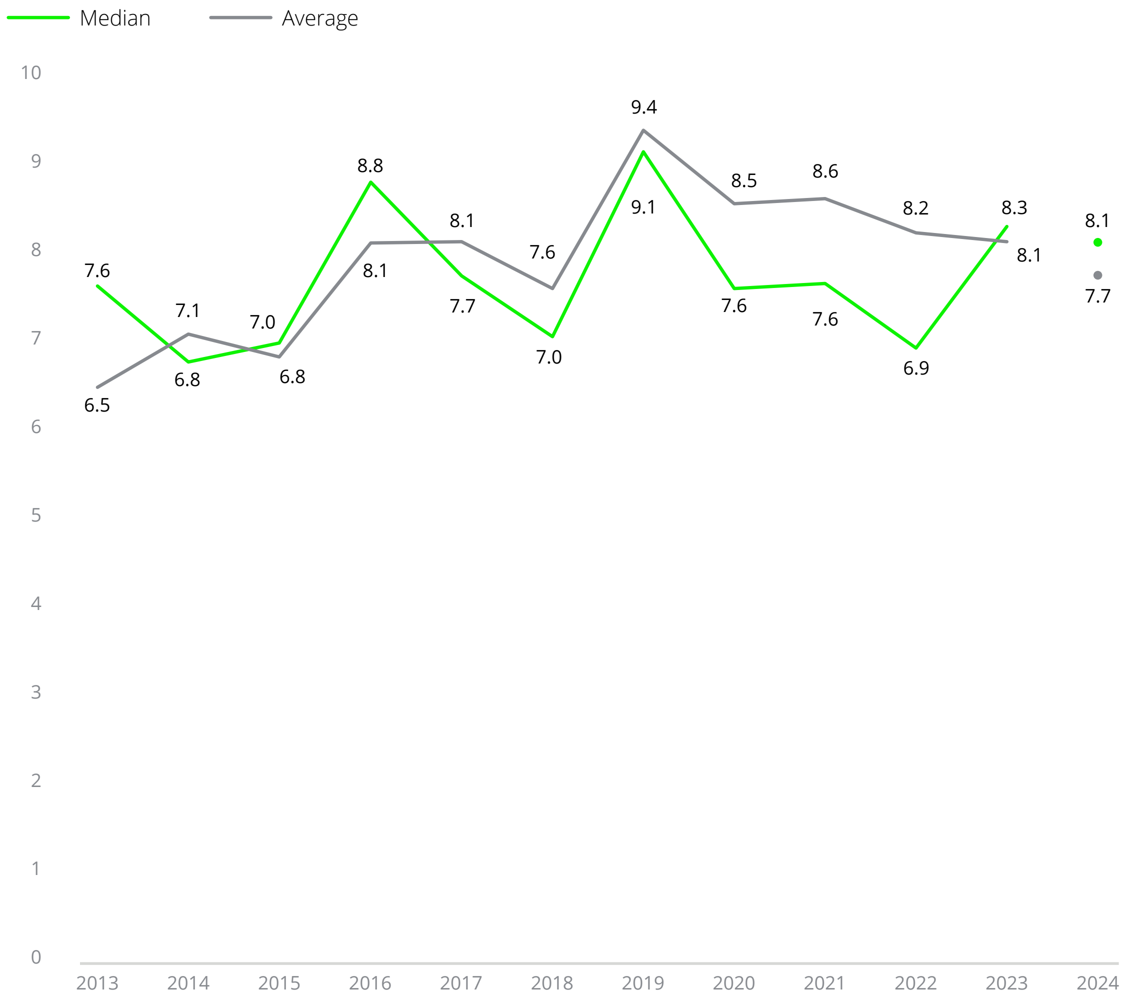
Median and average time (years) between first fintech VC round and expansion-stage exit



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Spotlight

Crypto momentum reverberates through a broader landscape of digital technologies

One of the most closely watched verticals entering 2025 is an integral feature in the future of fintech: CB&DA. Recent tailwinds include record-high bitcoin prices, landmark approval of exchange-traded products linked to bitcoin, and a supportive stance from the current federal administration. Cryptocurrencies and related assets have created new wealth-creation channels that continue to evolve. They offer investment value akin to traditional financial assets through trading, while the blockchains they are built on also provide rewards to an open network of participants that can complete functions essential to the decentralized network's operation. "The interplay between blockchain's investment value and its utility—such as using Ethereum for gas fees—represents a unique complexity not seen in traditional asset classes," explains Rob Massey, Global & US Tax Blockchain & Digital Assets leader at Deloitte Tax LLP.

"We are witnessing a convergence of centralized and traditional finance, with corporates, regulators, and even governments exploring blockchain solutions. This holistic ecosystem advancement is unprecedented."

Rob Massey
Global & US Tax Blockchain & Digital Assets Leader,
Deloitte Tax LLP

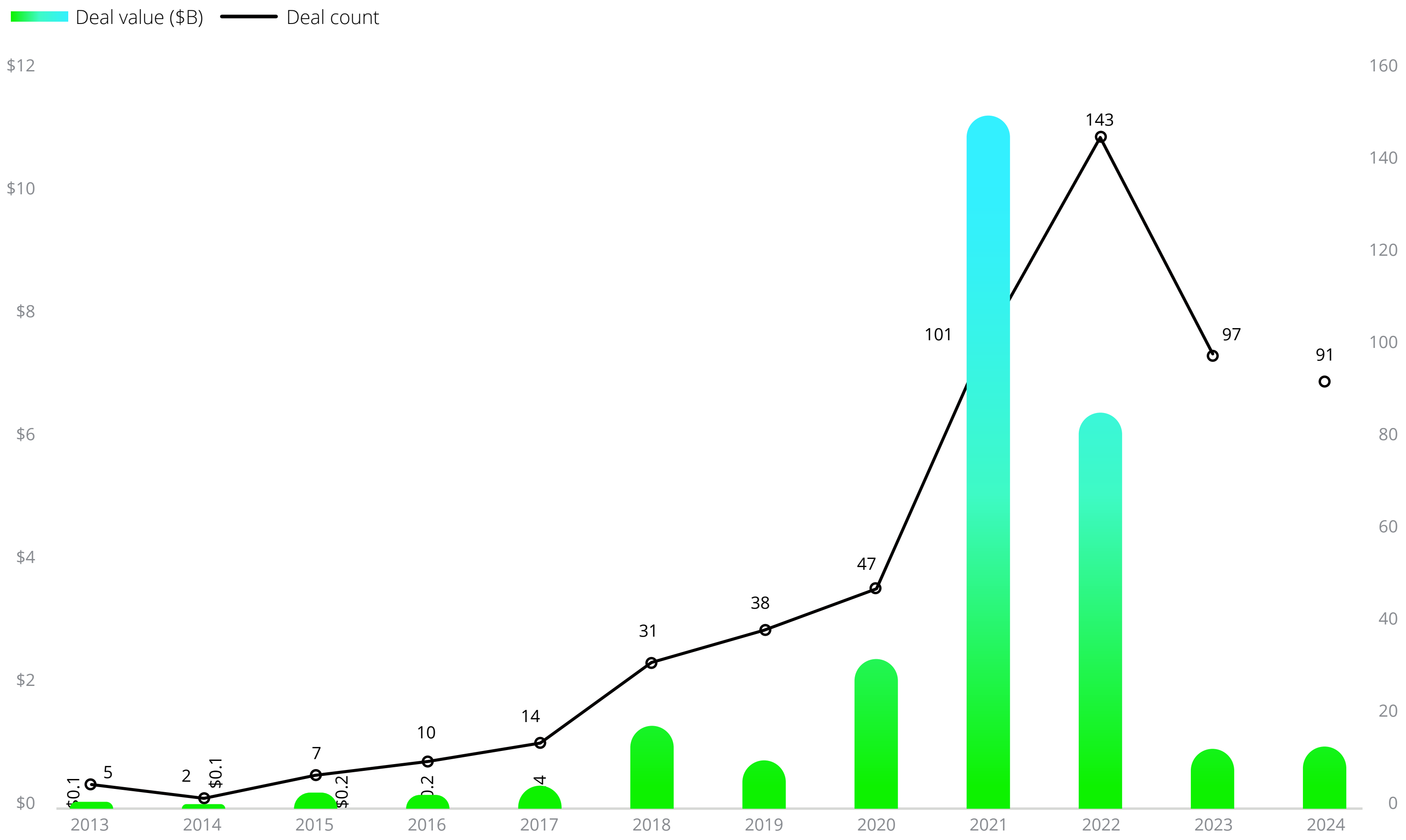
Spotlight

"While regulated financial markets are expected to continue to take a more cautionary approach to innovation, many non-financial enterprises are adopting blockchain more quickly, particularly in areas like stablecoin-based payments and international remittances."

Tim Davis
Global & US Risk & Financial Advisory Blockchain & Digital Assets Leader,
Deloitte & Touche LLP

Blockchain applications beyond cryptocurrencies include smart contracts, digital rights management, and distributed identity. Established industries like media, entertainment, and pharmaceuticals present new avenues for blockchain value-add, and many investors will look for this long-term stability when making funding decisions. Proliferation of AI also sets the stage for further blockchain integration as a mechanism to control agentic behavior and protect user privacy.

CB&DA expansion-stage deal activity



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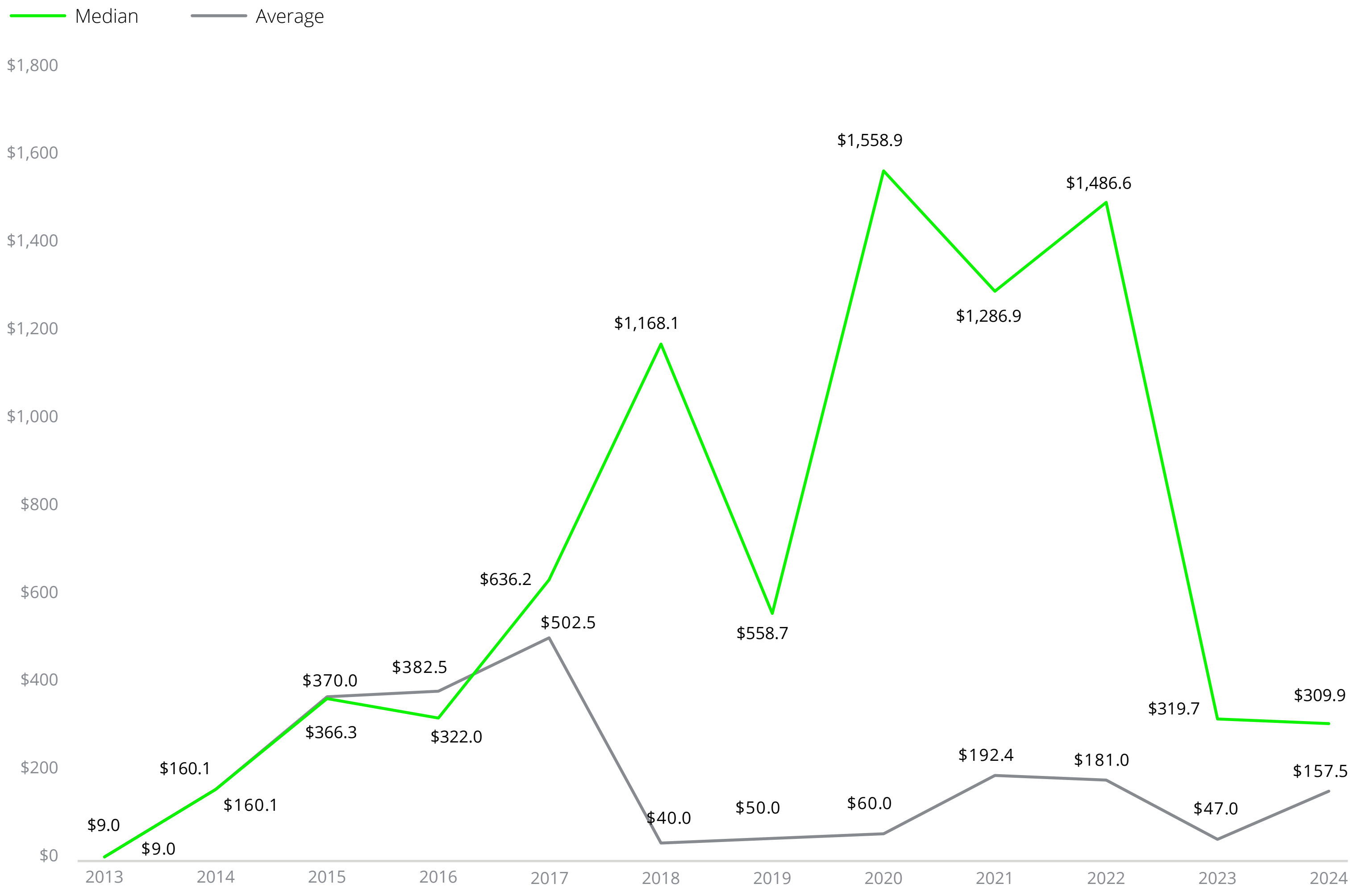
Spotlight

Median and average CB&DA expansion-stage pre-money valuations ($M)



Source: PitchBook | Geography: US | *As of December 31, 2024

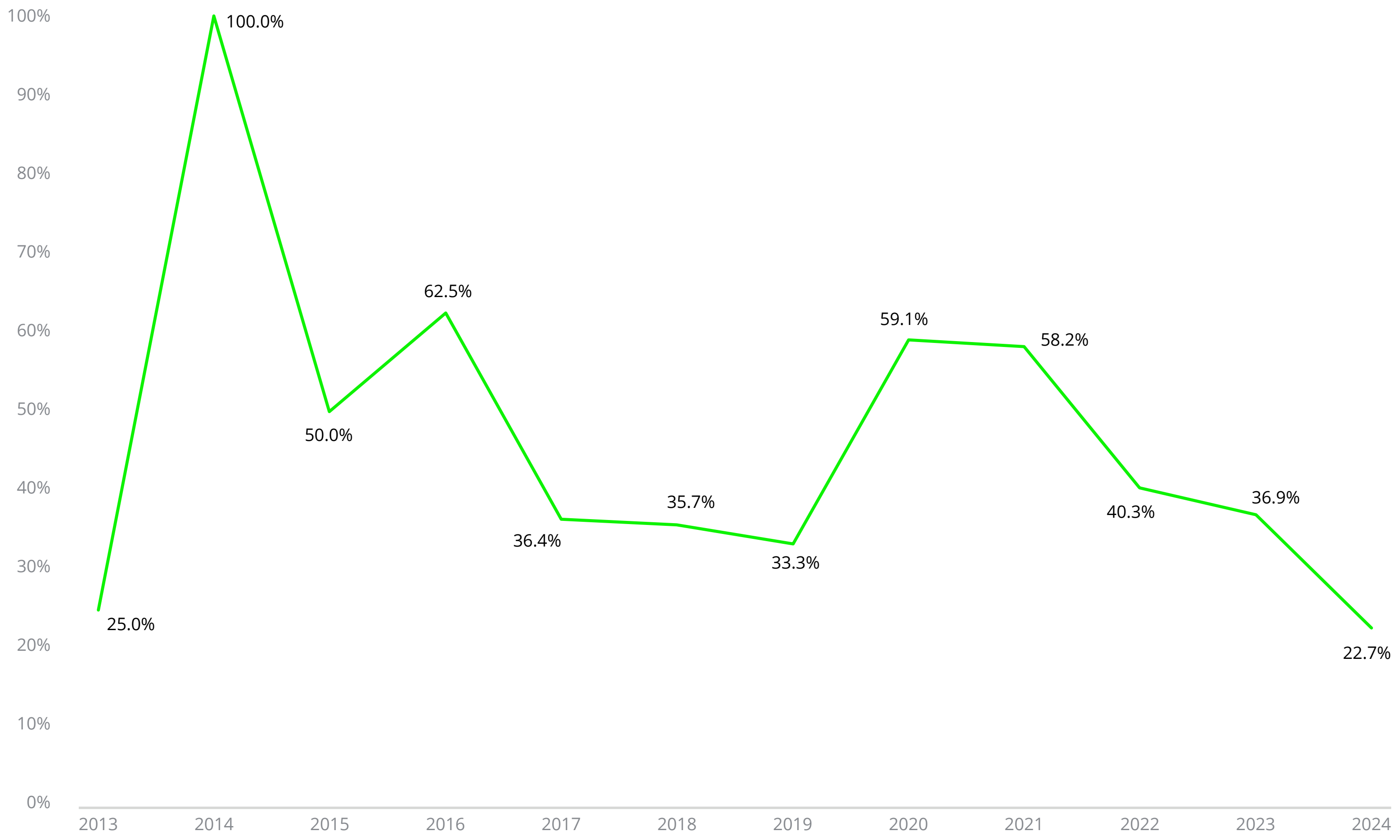
Tim Davis, Global & US Risk & Financial Advisory Blockchain & Digital Assets leader at Deloitte & Touche LLP, notes that blockchain is "poised to play a critical role in controlling AI applications by enabling smart contracts to set boundaries for automated actions, facilitating greater transparency and accountability."

Non-fungible tokens and other digital assets are integrating into the mainstream but have experienced substantial volatility over the past five years, which creates an uphill battle for widespread adoption and scale. Security and fraud prevention, as well as regulatory choke points, are two major themes that the CB&DA industry faces in its next phase of development. Stablecoins, or cryptocurrencies whose value is tied to another currency, offer one solution for the issue of volatility and transparency.[3] Bridging the gap between cryptocurrencies and traditional fiat currencies, combined with growing engagement from major retailers, is validating the broader CB&DA value proposition and expanding access to a wider investment base.

Spotlight

The CB&DA ecosystem remains smaller than broader fintech, with fewer than 100 deals in 2024 compared with fintech's 490 overall. Nevertheless, a compelling case exists for further growth as companies mature and use cases expand. Focusing on CB&DA dealmaking in later stages reduces some of the noise and speculation present in earlier and more experimental phases. Deal volume trends mirror broader VC and PE arenas over the past decade—except for 2022, when deal count surged by more than 40 percent YoY while broader dealmaking declined. Interest in crypto investing took off during the pandemic years, which led to massive growth for exchanges and drove up capital deployment. Even so, the collapse of a major cryptocurrency exchange later in 2022 sent shockwaves through the ecosystem and called into question the validity of cryptocurrency as an asset class. Since then, the industry has stabilized and deal counts have remained elevated, but total sums have yet to rebound.

CB&DA expansion-stage deal count with follow-on participation as a share of all expansion-stage CB&DA deals



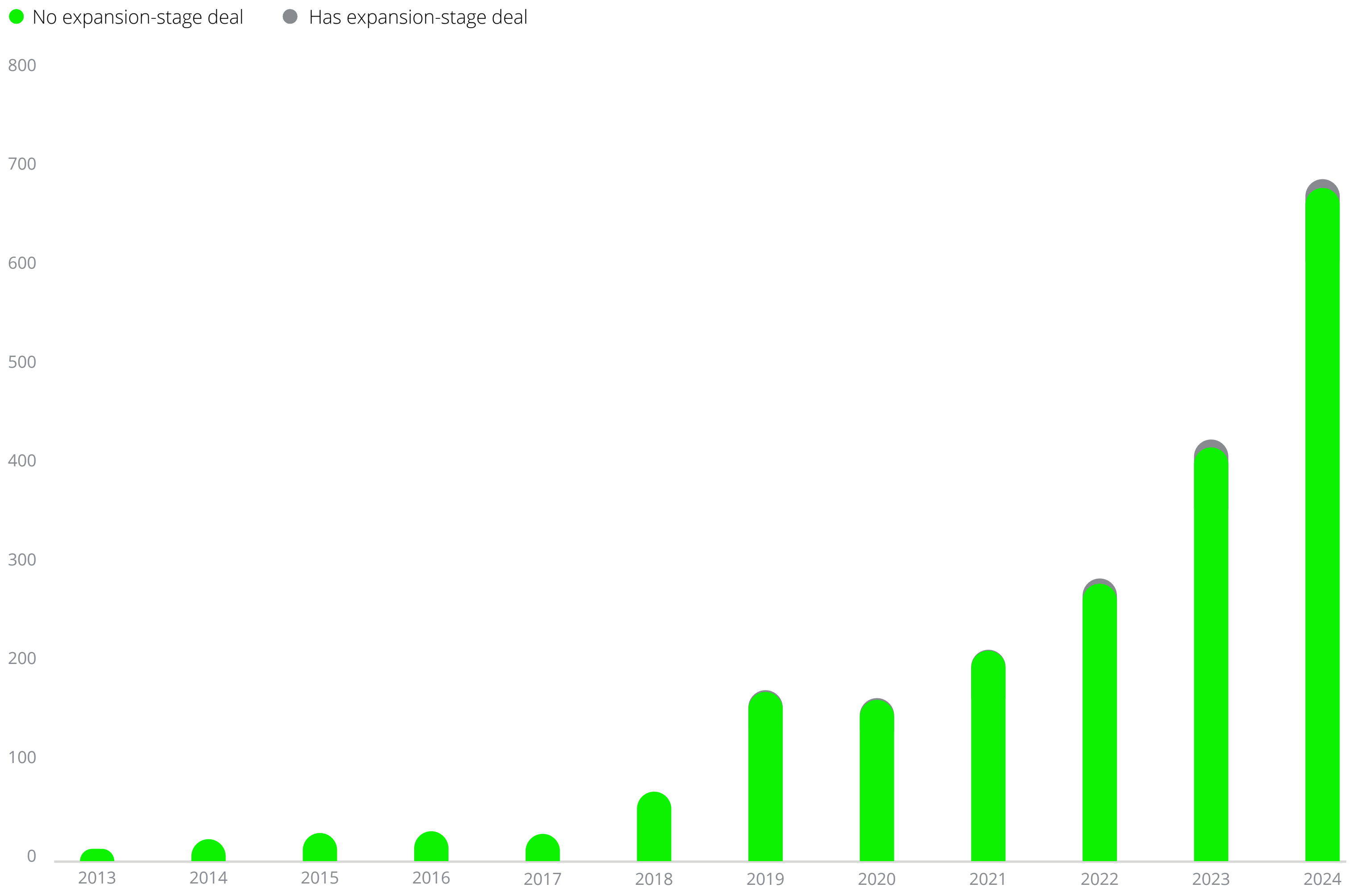
Source: PitchBook | Geography: US | *As of December 31, 2024

Spotlight

The results of large investments made over the past few years are playing out in real time, and "the winners in this space are those who invested early in building robust control structures and compliance systems," states Brian Hansen, partner and US Audit & Assurance Blockchain & Digital Assets leader at Deloitte & Touche LLP.

Follow-on participation in expansion-stage rounds dropped in 2022 alongside the industry shake-up and has trended downward since, reaching a decade low of 22.7 percent in 2024. Investor expertise is still evolving from speculative enthusiasm to sustainable long-term engagement, and a lack of follow-on investors on a deal may indicate later-stage startups in nascent spaces are migrating toward more aligned investment partners.

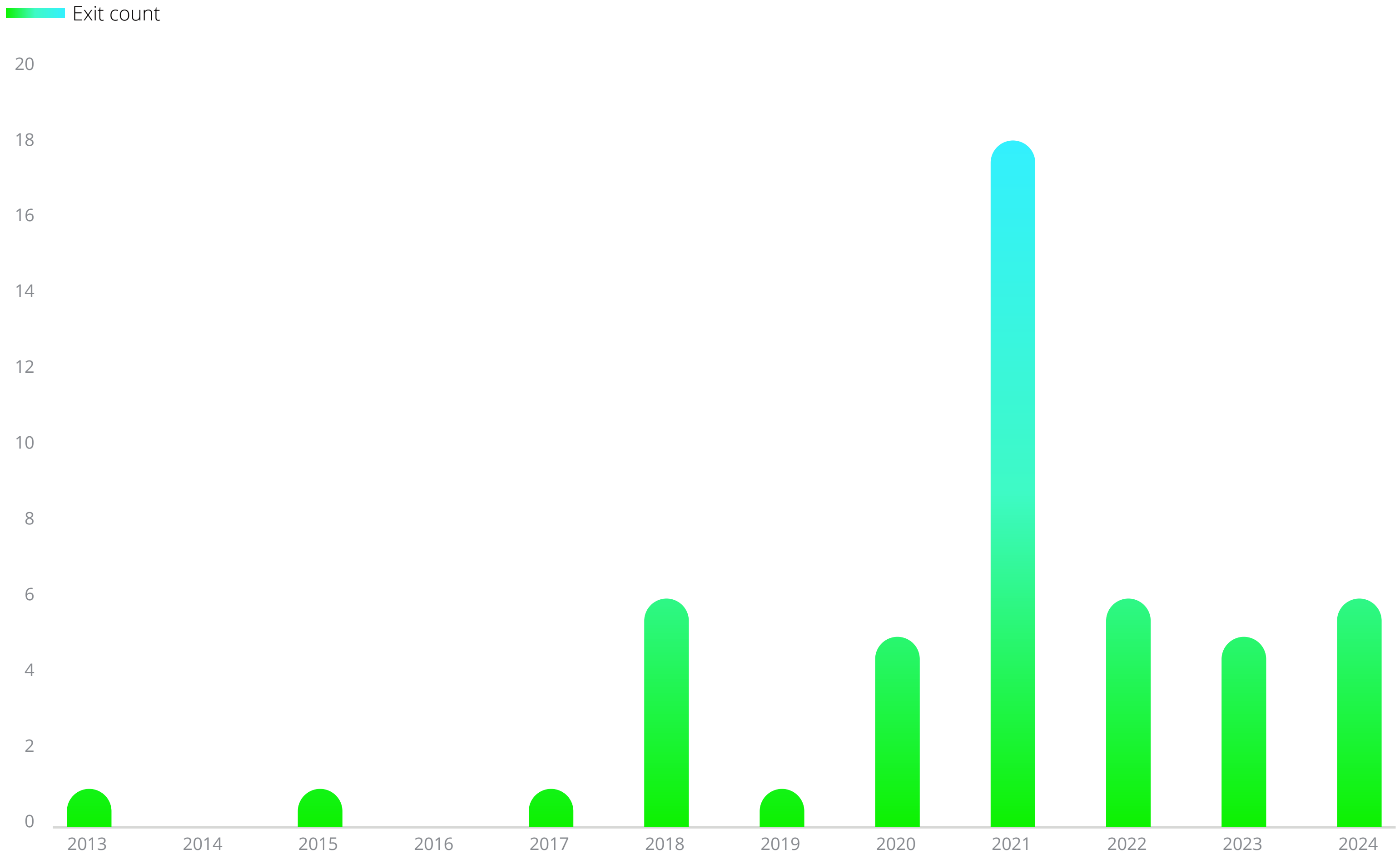
CB&DA distressed deal count by expansion-stage status



Source: PitchBook | Geography: US | *As of December 31, 2024

Spotlight

CB&DA expansion-stage exit count



Source: PitchBook | Geography: US | *As of December 31, 2024

As the ecosystem matures and expands, the number of distressed transactions has also risen. These include bankruptcy, debtor-in-possession, close-of-business, and other related transactions. That said, expansion-stage CB&DA companies represented less than 2 percent of these distressed transactions in 2024, indicating continued insulation from earlier-stage failure rates.

“The shift toward institutional adoption is reflected in the increasing number of crypto firms preparing for IPOs, signaling a maturing industry.”

Brian Hansen
US Audit & Assurance Blockchain & Digital Assets Leader, Deloitte & Touche LLP

Regional trends

Smaller cities exhibited stronger momentum in 2024 compared with larger dealmaking hubs

Home to several heavyweight investment firms, New York and San Francisco consistently attract the most expansion-stage fintech deal volume. Since 2021, New York has surpassed 100 deals annually, and San Francisco has consistently met or approached this threshold since 2019. New York's position as the banking and financial center of the United States makes it a natural draw for fintech innovators, and this trend is unlikely to change anytime soon.

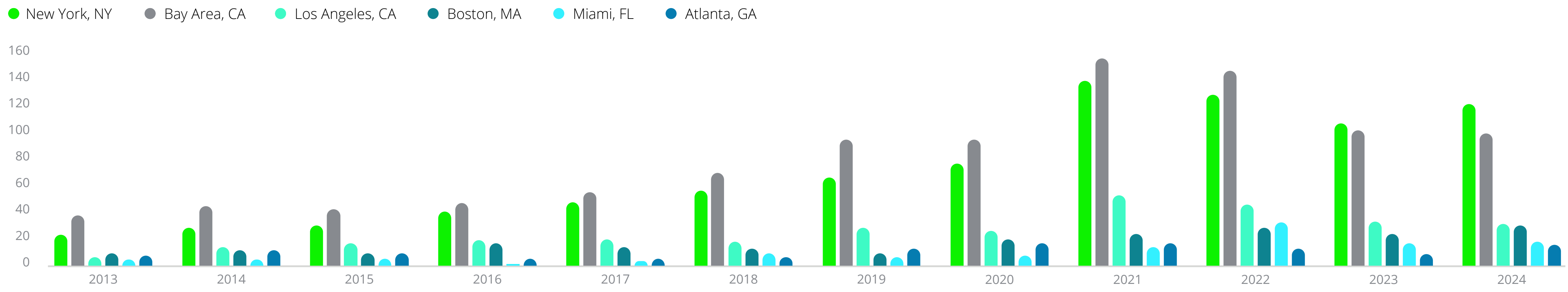
Even so, pockets of fintech opportunity are materializing across the country. The two combined statistical areas (CSAs) that witnessed the largest surges in deal count in 2024 were Cleveland, which tripled YoY, and Salt Lake City, which doubled, albeit from small bases. Atlanta and Philadelphia tied for sixth place in terms of 2024 deal count, and both experienced growth in total deal value of more than 400 percent YoY, far outpacing the growth in both entrenched hubs. Momentum in these areas often reflects outlier or one-off deals, but many well-capitalized fintech companies operate far beyond the traditional hubs. As localized talent disperses, smaller areas are proving their ability to compete and punch above their weight.

"The theme of decentralization is prominent in the CB&DA space, but it has not yet translated into capital deployment for fintech companies, as New York and the Bay Area retain their status as expansion-stage heavyweights. However, prominent deals have cropped up across the country, indicating opportunities for fintech talent and innovation to transcend state lines."

Erica Lacerenza
Audit & Assurance Managing Director
Deloitte & Touche LLP

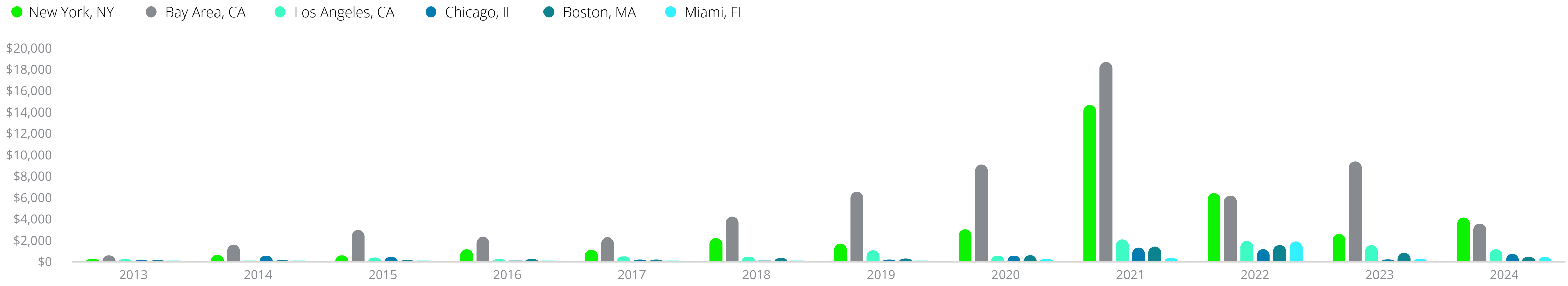
Regional trends

Fintech expansion-stage deal count by top six CSAs



Source: PitchBook | Geography: US | *As of December 31, 2024

Fintech expansion-stage deal value ($M) by top six CSAs



Source: PitchBook | Geography: US | *As of December 31, 2024

Looking forward

Rising demand for stagnant liquidity is a recurring theme across nearly every corner of the economy. Workers want access to earned wages in real time rather than waiting for payday. Startup employees aim to capitalize on maturing equity through tender offers. Individual investors desire more flexible alternative fund structures. GPs and limited partners (LPs) alike are focused on realizing returns through an exit revival, while companies want to initiate an IPO when market conditions are favorable. Despite growing pressure, a broad resolution remains elusive, with many sectors maintaining a holding pattern until the macroeconomic picture improves.

Fintech companies have emerged to address this environment by introducing faster payments technologies and new lending products to bridge capital gaps. Agile startups continue to adapt and innovate as market needs evolve. Now that economic improvements have begun to materialize, fintech as a whole can expect an increase in capital deployment in the near term. Nonetheless, significant challenges remain before liquidity needs across the board are fully addressed.

"The integration of blockchain and crypto technologies across industries—such as healthcare, media, and energy—illustrates their potential to elevate traditional business models through enhanced transparency and efficiency."

Rob Massey
Global & US Tax Blockchain & Digital Assets Leader, Deloitte Tax LLP

Looking forward

The CB&DA ecosystem offers a long runway for growth. Despite ongoing volatility and speculation, these technologies are driving a fundamental evolution in financial services and extending their influence to other industries such as healthcare and entertainment through digital and blockchain-native innovations. As the dust from the AI boom settles, private market investors are turning their attention to the next wave of tech innovation. Digital assets are emerging as a key channel for later-stage investments, gaining momentum as more investors recognize their potential.

"The changing regulatory environment over the next few years is driving renewed interest in fintech companies preparing for IPOs and scaling their operations."

Heather Gates
Audit & Assurance Private Growth Leader,
Deloitte & Touche LLP

2024 at a glance

As we dive into the first quarter of 2025, let's rewind and review the most important trends and events of last year.

Q1 2024 | Femtech

$785.7 million across 38 financings

The ecosystem remains small, but 2024 marked a near-record year for femtech

Several deals exceeding $100 million closed throughout 2024, resulting in the second-highest year for cumulative value and deal count, behind only 2021. Market leaders are emerging, particularly among healthcare companies such as clinics and digital health platforms, as well as specialized consumer products. The industry continues to scale by filling in gaps in existing systems, with demographic and economic shifts pointing to further growth opportunities.

Q2 2024 | Emerging technology

$80.1 billion across 1,625 financings

AI laps all other verticals, but ripple effects are spreading

The first three quarters of 2024 saw consistent deal flow, but Q4 stood out with several multibillion-dollar financings, including an AI platform and an automotive application. These outlier deals highlight the growing divergence between AI and other technologies. The next stage of tech dealmaking is expected to focus on specific application-level opportunities in AI, while other prominent verticals, such as digital health and robotics and drones, are also poised for growth.

Q3 2024 | Exits

$206.9 billion across 1,246 exits

Turnaround year for liquidity, but some uncertainty remains

As anticipated, expansion-stage exit activity grew YoY in 2024 after two years of declines. Q2 and Q3 were particularly strong, with more than $60 billion each, as leading candidates made the leap, including several unicorns that completed anticipated IPOs. The outlook for 2025 varies as geopolitical shifts are still settling, but certain industries expect more favorable conditions in the near term, and private markets are finally experiencing some relief after an extended liquidity drought.

Q4 2024 | Mental health and wellness

$1.6 billion across 86 financings

Fewer but more sizable deals illustrate industry maturation

2024 brought in fewer financings for the burgeoning mental health and wellness space compared with the two years prior, but cumulative value grew by more than 50 percent YoY as investors committed larger sums to well-positioned players in an industry with significant growth potential. Demand for direct mental health treatment is on the rise, driving capital toward clinic and telehealth models, while holistic wellness options to support these efforts are more integrated into traditional healthcare systems and direct-to-consumer channels.

Methodology

Geographical region: United States

The **expansion stage** is defined from a transactional perspective as including late-stage venture or growth financings as defined by PitchBook. All investment data is restricted to late-stage VC, venture-growth, PE-growth, or corporate financing types, as defined by PitchBook. **Nontraditional investors** are defined as hedge, mutual, or sovereign wealth funds.

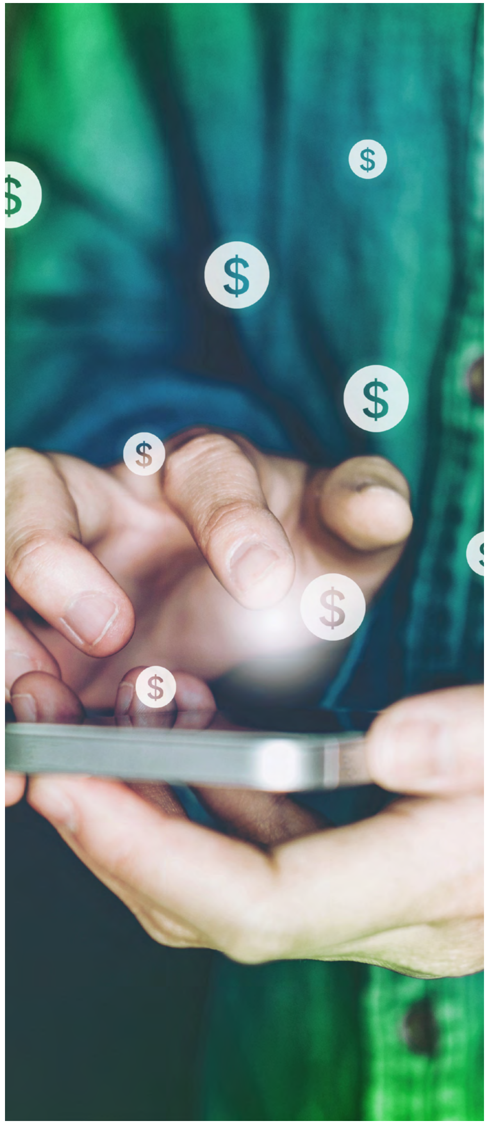
Cryptocurrency, blockchain & digital assets (CB&DA) is defined using PitchBook's dedicated cryptocurrency/blockchain vertical.

Consumer lending is defined in this report using PitchBook's dedicated consumer finance industry code.

Active investors: The number of active investors is calculated by including either investors that have raised a venture or growth fund in the trailing five years or those that have made four or more VC- or PE-growth investments in the past three years. There is no exclusion on investor type, apart from angel investors.

Exits: All exits are defined by PitchBook's primary exit types: buyouts, acquisitions, or public listings, which include direct listings, traditional public listings, and special purpose acquisition companies (SPACs), as well as a new category dubbed "additional liquidity events after the public listing," explained in further detail below. The underlying companies are those that have, at minimum, achieved any of the investment data under restrictions. In the Q2 2023 edition of the Road to Next series, a fourth category of exit was debuted, explicitly for companies that had undergone a public listing. To better capture liquidity for investors post-lockup periods and for longer-term holders of shares that liquidated after the public listing in general, additional liquidity events classified as secondary market offerings on the open market, secondary public offerings, and private investment in public equity (PIPE) deals were also included. Private investors often hold their shares for longer beyond the initial offering and then utilize additional offerings or secondary market transactions as well as sales to new investors when firms seek a PIPE. Up to three additional liquidity events were included.

Updates: For editions beginning in 2023, underlying methodologies were changed due to PitchBook's methodological changes and incorporation of new pre-seed, seed, and venture-growth stages, which will shift numbers slightly yet be more accurate going forward. A new exit methodology was also incorporated, including the breakout of post-IPO liquidity events.



Endnotes

1. Deloitte, "*Modernizing your fintech organization to support growth*," October 2024.
2. Board of Governors of the Federal Reserve System, "*Changes in U.S. Family Finances from 2019 to 2022*," October 2023.
3. PYMNTS, "*Memo to GenAI companies: The future of payments needs your focus*," January 24, 2025.

Data provided by

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