# Table of Contents

**INTRODUCTION** 3  
**FINTECH ECOSYSTEM IN MEXICO** 4  
**FINTECH MARKET IN MEXICO** 7  
- Economic Overview 7  
- Evolution of Performance Indicators 8  
- Evolution of Performance Indicators for Lending Fintech 9  
- Technologies used by Fintech companies 10  
- Cyber Risks and Fintech Challenges 11  
- Regulation 12  
- Competition and collaboration 13  
**VENTURE CAPITAL INVESTMENT** 14  
- Regional Venture Capital Investment Overview: All Industries 14  
- Regional Venture Capital Investment Overview: Fintech Industry 15  
- Venture Capital Investment Outlook: Mexico 15  
**CONCLUSIONS** 16  
**REFERENCES** 17  
**GLOSSARY OF TERMS** 18
INTRODUCTION

Mexico kicks off 2023 with 650 companies identified in the Fintech ecosystem and positive expectations from entrepreneurs, who expect to exceed the growth in sales of 2021 and 2022.

The first section of this report describes the current characteristics of the Fintech ecosystem in Mexico, comprised by startups that were founded and operate in the country. This section contains the main bubble chart and considers startups that responded to the Fintech Radar Mexico 2022 survey, that are part of Finnovista’s internal databases, or that were identified as part of secondary research.

The second section of the report describes the Fintech market in Mexico, which includes both onshore and offshore companies operating in the country. In this section, we analyze the main findings identified from the comparison of Finnovista’s historical databases with the 221 unique and complete records of companies that responded to the aforementioned survey and that meet the corresponding characteristics. The objective of this section is to delve deeper into the operating characteristics of the companies, addressing issues such as average annual revenues, volume of users, technology, regulation, and competitive and collaborative environment. Finally, the third section of the document analyzes venture capital investment at the regional, Fintech industry and Mexico levels.

The term Fintech comes from Financial Technology. For the proper reading and interpretation of this document, we must specify that Finnovista uses the definition of Fintech employed by the Financial Stability Board: “Technological innovation applied to financial services that may result in new business models, applications, processes or products associated with a relevant effect on service providing”. In this sense, the term considers both companies that directly provide financial services and those that provide various services and technology to financial institutions. This clarification is important since the concept is broader than such used by the regulatory authorities to refer to those companies that involve fund raising/intermediation, crowdfunding, inter alia.

Entrepreneurs expect to exceed the growth in sales of 2021 and 2022.”
Mexico kicks off 2023 with 650 identified Fintech that meet both conditions: they were founded and operate in Mexico. This represents a 26% yearly growth over the last year.

Figure 1. Number of Fintech founded and operating in Mexico.

Source: Own elaboration with Finnovista’s internal databases.
At the end of 2022, 650 Fintech were identified in the Mexican ecosystem that meet the following characteristics: a) they are companies of national origin, i.e. incorporated in the country or with a Mexican founding team, b) they operate in Mexico, c) they have the capacity to offer a digital customer journey and d) they fall under the definition of Fintech set out in the introduction hereof. This group of companies constitutes what we call the “Mexican Fintech ecosystem”. This represents an increase of 26% with respect to the 512 Fintech identified in 2021. It is worth noting that this is one of the largest year-on-year increases as it practically doubled the growth recorded between 2020 and 2021 (16%).

Of the 512 active Fintech in 2021, only 466 are still active and maintain the characteristics identified above. This means that about 9% (46 ventures) exited the ecosystem; a lower mortality rate than that recorded in 2021 (11%).

In 2022, 184 new Fintech were identified as joining the ecosystem. The segments in which the largest number of new companies were added were Lending with 42, Enterprise Technologies for Financial Institutions with 40 and Payments and Remittances with 27. These 3 segments concentrate 60% of the new companies in the ecosystem, as shown in Figure 2.

It can be seen that the Lending segment remains, for the second consecutive year, the largest in Mexico and continues to grow at an accelerated pace. Between 2020 and 2021, Buy Now Pay Later (BNPL) solutions grew rapidly as a consequence of the popularization of e-commerce in the context of the global pandemic. Conversely, business credit and B2B2C solutions are taking a leading role in the segment and gaining relevance within the Mexican market as will be discussed in the following sections.

Figure 2. Number of Fintech in Mexico by segment.

<table>
<thead>
<tr>
<th>Segment</th>
<th>Number of Fintech that have been active since 2021</th>
<th>Number of new Fintech identified in 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lending</td>
<td>103</td>
<td>42</td>
</tr>
<tr>
<td>Payments and Remittances</td>
<td>89</td>
<td>27</td>
</tr>
<tr>
<td>Enterprise Technologies for Financial Institutions</td>
<td>61</td>
<td>40</td>
</tr>
<tr>
<td>Enterprise Financial Management</td>
<td>54</td>
<td>15</td>
</tr>
<tr>
<td>Financial Wellbeing</td>
<td>47</td>
<td>18</td>
</tr>
<tr>
<td>InsurTech</td>
<td>36</td>
<td>39</td>
</tr>
<tr>
<td>Proptech</td>
<td>23</td>
<td>9</td>
</tr>
<tr>
<td>Wealth Management</td>
<td>18</td>
<td>33</td>
</tr>
<tr>
<td>Open Finance</td>
<td>15</td>
<td>10</td>
</tr>
<tr>
<td>Digital Banks</td>
<td>18</td>
<td>5</td>
</tr>
<tr>
<td>Crowdfunding</td>
<td>12</td>
<td>14</td>
</tr>
</tbody>
</table>

Source: Own elaboration with Finnovista’s internal databases.
ECONOMIC OVERVIEW

Mexico and the world are going through a complicated economic situation. However, Fintech entrepreneurs in the country have expectations of sales growth for 2023 that are higher than their 2021 figures.

We are at a critical juncture globally. The economic slowdown seems imminent according to the International Monetary Fund’s economic growth indicators. The data show that while in 2021 the world’s Gross Domestic Product registered a 6% annual growth, 2023 will probably close with a growth of only 2.7%. This, together with the increase in the cost of living and the global political tension that has generated uncertainty in all sectors of the economy.

Nevertheless, geopolitical tension favors the relocation of capital and, consequently, may generate some benefits for Mexico. The changes in the productive chains impacted some national indicators such as the increase in portfolio investment, the strengthening of the peso against the dollar and the deceleration of inflation in the last months of 2022. These factors have led to upward revisions in GDP for 2023, with growth of between 1.8% and 3%. A relatively stable economic outlook in the country is encouraging for the Fintech market in Mexico as it ensures a certain level of purchasing power among users.

Thanks to the Fintech entrepreneurs in the Mexican market who responded to the survey conducted by Finovista, at the end of 2022, annual sales growth for the industry was identified as lower than the previous year. Despite this situation, the entrepreneurs indicated that their expectation of closing sales for 2023 is higher than that of 2021. This demonstrates the optimism prevailing in the ecosystem, which is mainly based on:

1. Innovation in their sales strategies.
2. The generation of strategic alliances and collaborations with other companies in the ecosystem.
3. The improvement of their product portfolio.
On the other hand, Mexico continues to be an attractive place to operate, on the account that in addition to the size of its market and the unabridged gap between supply and demand of financial services, the surveyed entrepreneurs pointed out that the Mexican population has a faster adoption rate of their products or services, a better regulatory framework and higher average tickets compared to other economies in the region.

**EVOLUTION OF PERFORMANCE INDICATORS**

Fintech revenues are consistently increasing year-over-year. Companies in the top ranks of revenues and employees belong mainly to the Digital Banking, Lending and Payments and Remittances segments.

Despite the fact that the vast majority of Fintech are still in the range of revenues of less than 500 thousand dollars per year, this percentage is decreasing year by year. As can be seen in Figure 3, the number of Fintech in the minimum revenue range was 80% in 2020, while by 2022 that proportion decreased to 50%. Note how the 30% lost in the first revenue tier has been distributed across the other ranges, growing consistently year on year. Finally, it is worth noting that the segments with the largest presence in the $15 million and up ranges are Digital Banking, Lending and Payments and Remittances.

In Mexico, the need to offer liquidity mainly to small and medium-sized companies became a priority on the agenda of the Fintech ecosystem during the pandemic. This situation of unmet demand for capital prevails today. In addition to the strong investment in startups in this sector in the region and the evolution of the KPI’s of Fintech companies, this edition of Radar Mexico includes a special analysis of companies that provide credit.

**Figure 3.** Percentage of Fintech per reported annual revenue ranges. (Year-over-year comparison, 2020-2022)

<table>
<thead>
<tr>
<th>Revenue Range</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 500 thousand USD</td>
<td>80%</td>
<td>65%</td>
<td>50%</td>
</tr>
<tr>
<td>500 thousand - 5 million USD</td>
<td>14%</td>
<td>28%</td>
<td>32%</td>
</tr>
<tr>
<td>5 - 15 million USD</td>
<td>3%</td>
<td>5%</td>
<td>7%</td>
</tr>
<tr>
<td>15 - 50 million USD</td>
<td>2%</td>
<td>0%</td>
<td>6%</td>
</tr>
<tr>
<td>50 - 300 million USD</td>
<td>1%</td>
<td>2%</td>
<td>3%</td>
</tr>
</tbody>
</table>

Source: Own elaboration with Finnovista internal databases.
Before beginning the analysis of the performance indicators for companies that grant loans, it is important to understand the composition of the sample. In this regard, the majority (69%) have the end consumer as their main target (B2C, B2B2C, C2C), while the remaining 31% are specifically aimed at providing financing for businesses (B2B).

All the companies considered here are Fintech that grant credit; however, 80% are distributed in the following Finnovista segments: Lending (65%), Financial Wellbeing -which grants financing through payroll advances (9%)- and Enterprise Financial Management -which grants credit through factoring- (6%). The rest is distributed in the Digital Banking, Open Finance, Financial Wellbeing and Proptech segments. It is important to mention that more than half of the sample (62%), operates under a figure of the registration system for financial service providers such as SOFOMES, SOFIPOS, brokerage firms, inter alia; also including those that are still in the process of acquiring registration before the CNBV. Only 20% of the registrations operate under the Fintech license or are in the process of approval under this category. Finally, the remaining 15% require a third-party license to provide credit services.

Moving on to the analysis of performance indicators, the data obtained for total portfolio as of November 2022, show that the maximum portfolio amount of Fintech is $1 billion Mexican pesos, while the minimum is $200 thousand pesos. Likewise, the distribution is almost even with a slight concentration around $40 thousand pesos (10%). Fintech with the largest amounts belong to the Digital Banking, Open Finance, Proptech and Lending segments. It is worth mentioning that two of these segments, Digital Banking and Lending, have the largest number of active users. The segments with the smallest portfolios were Enterprise Financial Management and Financial Wellbeing; so it can be understood that credit facilities are not the main business vertical for these entities.

An analysis was made of the annual weighted average interest rate, as well as the delinquency rate (IMOR) for the credit supply companies. With respect to the interest rate, it was found that the average annual interest rate is 39% and the overall IMOR was 11%. It is difficult to compare and put this data in perspective with the rates of commercial banks, since the sample used in the study is small and heterogeneous -it includes different types of credit facilities and different audiences-.
Open Finance technologies and APIs are the most widely used by Fintech companies.

Generally, all categories increased their percentage of use by entrepreneurs. As in 2021, Open Finance and APIs technologies continue to be the most used by Fintech -60% use them-. Big Data and analytics continue to occupy second place, with a 10% increase over the previous year. It is natural to see that open finance, Big Data and cloud computing continue to be the most used if we take into account that the Lending and Payments and Remittances segments are the predominant ones in the market.

Artificial Intelligence and Biometrics are verticals that stand out for their year-on-year growth of more than 10 percentage points.

It is interesting to see that the use of artificial intelligence and biometrics has increased by 16% and 14% respectively. Mobile wallets by 4%, while smart contracts and Blockchain have increased their use by 5% and 9%, respectively.

Figure 5. Use of technologies by Fintech companies
(Year-over-year comparison, 2021-2022)

Source: Own elaboration with Finnovista internal databases.
62% of Fintech mentioned having robust and updated systems to face cyber threats.

78% of entrepreneurs claim not to have faced an increase in cyberattacks in the last 12 months. Of the total number of respondents, 62% mentioned having robust and updated systems to deal with cyber threats, 16% more than the previous year. Thirty-three percent responded that they are working to strengthen and update their systems to deal with them, and only 3% responded that they do not consider it necessary to strengthen their security.

The main challenge for Fintech in 2023 is to scale operations and go international.

Most Fintech (66%) said that their main challenge for 2023 is to scale operations and internationalize; 39% to access financing, 35% to launch a product or service, as well as to attract and retain talent, while 10% mentioned cybersecurity and getting and implementing adequate infrastructure (technological stalk). These data are very similar to those of the previous year, so it can be considered that Mexico continues to be a growing ecosystem with a strong appetite for capital.

Figure 6. Fintech Challenges for 2023

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scaling operations and internationalization</td>
<td>66%</td>
</tr>
<tr>
<td>Access to Financing</td>
<td>30%</td>
</tr>
<tr>
<td>Product or service launch</td>
<td>35%</td>
</tr>
<tr>
<td>Attracting and retaining talent</td>
<td>35%</td>
</tr>
<tr>
<td>Client preparation</td>
<td>14%</td>
</tr>
<tr>
<td>Cybersecurity</td>
<td>10%</td>
</tr>
<tr>
<td>Seeking and implementing adequate infrastructure (technological stalk)</td>
<td>10%</td>
</tr>
<tr>
<td>Others</td>
<td>4%</td>
</tr>
</tbody>
</table>

Source: Own elaboration with survey data
REGULATION

Although Mexico has one of the most advanced regulatory mechanisms for financial technology in the Latin American region, the Fintech Law currently only regulates Financial Technology Institutions, Electronic Payment Fund Institutions and Collective Financing Institutions. In addition, regarding virtual assets, the Fintech Law only recognizes means of payment, i.e. digital units used as a means of payment without being legal tender; leaving out of the regulation those used as an instrument for storage and transmission of value.

40% of the Fintech that responded to the survey do not need to be regulated as financial institutions. Of the 221 Fintech surveyed, 40% indicated that their main activity is the offering of technological platforms or services and that they do not have credit portfolio origination and/or management operations, fundraising, reception or massive intermediation activities, investment models, token or cryptocurrency issuance, or insurance operations; therefore, they do not require financial regulation. 60% of Fintech that answered affirmatively to any of the above, maintain the operation schemes shown in figure 7.

As of August 2022, **36 entities were authorized to operate under the Fintech Law**, enacted in March 2018. In addition, during the year, **144 applications were received from entities to operate under the Fintech Law**, of which 95 entities sought to operate as IFPEs, while 49 as IFCs.

![Figure 7. Status and types of financial entities under which Fintech that require regulation operate.](image-url)

Source: Own elaboration with survey data
COMPETITION AND COLLABORATION

Although 48% of Fintech said they see other Fintech as their main competitor, 55% of the total surveyed currently collaborate with one. (Figure 8)

The most attractive segments for synergies are Lending and ETFI’s, followed by Open Finance, Payments and Remittances and Digital Banking. Most Fintech are looking to collaborate with companies in their own segment, but in terms of cross-segment collaborations, the following relationships can be listed:

**Fintech segment**
- Lending
- Digital Banking
- Payments and Remittances
- ETFI’s
- EFM
- Open Finance
- Financial Wellness
- Wealth Management
- Insurtech
- Proptech

**Companies of interest for collaboration**
- Open Finance
- Payments and Remittances
- Lending
- ETFI’s, Digital Banking y Lending
- Lending
- ETFI’s y Financial Wellness
- Digital Banking
- Payments and Remittances, ETFI’s
- Insurtech, Open Finance and Wealth Management

Fintech indicated that traditional financial institutions are their second biggest competitor, however, 57% of the total stated that they currently collaborate with one. 21% are interested in doing so, 17% are in search or in the process of doing so, and only 5% are not interested in collaborating. Likewise, 59% of Fintech are open to collaborate with Big Tech, 51% with embedded finance companies, 46% with FMGC and 43% with consulting agencies. The most common forms of collaboration are supplier and customer business alliances.

In general, a cooperative environment is perceived in the ecosystem, which Fintech are betting on as one of the reasons that will trigger their growth in 2023. The execution of more and more collaborations affirms the use of “Fintech as a technological platform”\(^\text{12}\), a concept already used in several Finnovista researches, where it is predicted that Fintech integrations will predominate in the market in all types of financial and non-financial companies, through APIs.
Venture Capital's investment strategy for Latin America during the first half of 2022 was diversification, with a higher number of deals and a lower amount of investment, compared to the same period of time for 2021. The reason for this greater diversification is the sharp drop in late-stage investments and the significant increase in seed and early-stage investments.

It is a fact that venture capital investment for Latin America has slowed down, as the growth from 2020 to 2021 during the first half of the year for the number of deals was 64%, while in the same period from 2021 to 2022, it was 43% (20 points less). In terms of amounts, the change has been even more evident, as from 340% growth from 2020 to 2021, the figure turned negative from 2021 to 2022, with a decrease of 18%. The increase in the number of deals and the reduction in investment amounts translate into a reduction in the average investment ticket. This went from approximately US$18 million to US$10 million in one year13.

The decrease in the size of the average ticket implies a diversification of the investment portfolio by venture capital funds, which have chosen to increase the proportion of their investments in seed and early-stage companies. In the first half of the year 2022, the investment in these profiles was 58%; while in the same period for 2020 and 2021, the investments allocated were 51% and 30% respectively. Likewise, there was a considerable decrease in the percentage invested in late-stage companies, from 67% in the first half of 2021 to less than half in the same period of 2022, -29%-.
REGIONAL VENTURE CAPITAL INVESTMENT OVERVIEW: FINTECH INDUSTRY

Investment in Fintech diversified more aggressively than in the venture capital industry, with a significant drop in the amount invested in Fintech. However, we believe that this drop represents a correction of the amount invested in Fintech after a year 2021 with very high growth compared to previous years.

Fintech investment in Latin America during the first half of 2022 accounted for 38% of the amount invested in the region, which maintains the trend of recent years as the most important sector for venture capital investment. Startups in the region attracted $2,862 million dollars in the first half of 2022, according to data from the Latin American Venture Capital Investment Association (LAVCA), which implies a 27% drop compared to the same period in 2021, although it represents a correction of investment in Fintech after a 2021 with growth of over 200% compared to 2020.

In the Fintech sector, the growth in the number of deals was higher than that of the venture capital industry, with a growth of 58% in the first half of 2022 compared to the same period in 2021, which implies 15 percentage points more than the industry in general.

VENTURE CAPITAL INVESTMENT OUTLOOK: MEXICO

The venture capital industry in Mexico follows the global trend of greater investment diversification, as the number of deals continues to grow while investment amounts move downwards. As in Fintech at a regional level, we believe that this drop represents a correction of the amount invested in Mexico after a year 2021 with very high growth compared to previous years.

The amount of venture capital investment in Mexico fell more than that of the Latin American region during the first half of 2022 compared to 2021, with a 46% decrease for the country, while for Latin America the decrease was 18%. However, it is important to contextualize these numbers, as in 2021, investment growth in Mexico exceeded that of the region by more than 200 percentage points, 543% for Mexico compared to 340% for LATAM. This greatly raised the standard for the country and therefore, this year’s investment appears to be a significant drop compared to the region.

Comparing 2022 against 2020, i.e. excluding 2021, a special year for global investment due to the consequences of the pandemic, it was identified that the amount received during the first half of 2022 was 248% higher than that of the same period in 2020. Likewise, the average investment ticket is higher than in 2020, with the most updated figure being US$9 million, while two years ago it was US$6 million.
The 650 Fintech identified at the end of 2022 represented a growth of 26% over the previous year, continuing the more than 5 years of growth of the Fintech ecosystem in Mexico. The largest Fintech segments by number of Fintech in the country are Lending, Payments and Remittances and Enterprise Technologies for Financial Institutions.

The Mexican Fintech market is starting 2023 with positive expectations despite the challenges faced at a national and international level, as most expect sales growth to be higher than in 2021. This optimism is mainly based on the generation of strategic alliances and collaborations with other companies in the ecosystem, innovation in their sales strategies and the improvement of their product portfolio. Entrepreneurs also pointed out that the Mexican population has a faster adoption rate for their products or services, a better regulatory framework and higher average tickets than other economies in the region.

On the other hand, performance indicators, revenues and the number of Fintech users continue to increase consistently year after year. Companies in the upper ranks of revenues and employees belong mainly to the Digital Banking, Lending and Payments and Remittances segments. Addressing the companies that grant loans, it was identified that the total portfolio range between $200 thousand and $1 billion Mexican pesos, while the annual weighted average interest rate is 39% per annum and the average Delinquency Rate (IMOR) is 11%.

Regarding venture capital investments, it was identified that the strategy during the first half of 2022, both for the Fintech industry in Latin America and Mexico, was the diversification of the portfolio, since in all cases the number of deals grew, while the amounts tended to decrease. However, at Finnovista we believe that this drop represents a correction of the amount invested in Fintech after a year 2021 with very high growth compared to previous years.

In regulatory terms, the number of applications from entities to operate under the Fintech Law, as well as approvals, continues to increase. However, 40% of the Fintech that responded to the survey do not require regulation as financial entities, since their main activity is the offering of technological platforms or services. Those that do require regulation operate under different legal schemes.

Finally, with respect to collaboration and competition, a cooperative environment is generally perceived in the ecosystem, which promises the development of a Fintech 2.0 landscape of embedded finance or “Fintech as a technology platform” in the not too distant future. This concept will become increasingly relevant and tangible over the next few years thanks to the increase in Fintech integrations with financial and non-financial entities.
1. The 2022 Mexico Fintech Radar Survey was designed by Finnovista and aimed at entrepreneurs with operations in the country. The data was collected in the period from October 17 to November 4, 2022. It considers 221 unique and complete records of Fintech companies according to the definition indicated.


10. The 35 companies that grant credit are analyzed separately from the 221 unique and complete records of the Fintech Radar Mexico 2022 Survey, which was designed by Finnovista and aimed at entrepreneurs that maintain operations in the country. The data was collected in the period from October 17 to November 4, 2022.

11. El Economista (August 23, 2022). CNBV authorizes two more Fintech; they have been the slowest to be resolved.


13. Own elaboration based on investment data by industry obtained from the LAVCA Industry Data Excel Mid-Year Review 2022 report.


15. We follow the definition of Open Banking by Medici in his analysis Banking as a Service (2018), which includes Open Data and Open Capabilities (BaaS and Fintech Enablers). Likewise, the concept of Open Banking is changed to Open Finance following the terminology of Haydee, R., Law to Regulate Financial Technology Institutions, 2020, as it is considered more accurate as it includes all financial entities and not only banks.
GLOSSARY OF TERMS

General concepts:

**Fintech**: the term Fintech comes from Financial Technology and the definition used is based on that published by the Financial Stability Board⁴, which describes the concept as “technological innovation applied to financial services that may result in new business models, applications, processes or products associated with a relevant effect on service providing”. In this sense, the term considers companies that directly provide financial services and also those that provide services and technology for financial service providers.

**Fintech Ecosystem**: refers to the set of Fintech that meet both conditions; founded and operating in the country in question. This universe is identified from the survey of Fintech in Mexico, Finnovista’s databases and secondary research.

**Fintech market**: includes onshore and some offshore companies operating in the country. In the sections analyzing the characteristics and performance indicators of the market in the report, the data collected in the survey of Fintech companies that reported having operations in the country are considered, without it being mandatory to have been incorporated or have founders of that nationality. The sections that base their observations on the use of this sample aim to delve deeper into the operational characteristics of the companies, addressing issues such as their size, the prevailing revenue generation and business models, aspects of investment, technology and financial inclusion, *inter alia*.

**Fintech segments:**

**Lending**: this segment includes Fintech that offer Business Balance Sheet Lending, Consumer Balance Sheet Lending, Business Peer-to-Peer Lending, Consumer Peer-to-Peer Lending, Buy Now Pay Later (BNPL) solutions and Factoring.

**Payments and Remittances**: here we consider the Fintech of Payments and Mobile Wallets, International Transfers and Remittances, Mobile Point of Sale (mPOS), and Payment Gateways and Aggregators.

**Enterprise Technologies for Financial Institutions (ETFI’s)**: this category includes companies that address specific needs of financial institutions, such as Know-Your-Client (KYC) Solutions, Smart Contracts, Alternative Scoring and Chatbots. Also included are Digital Identification and Security and Fraud Prevention and Risk Management solutions.

**Crowdfunding or Collective Financing**: includes rewards, donations and equity crowdfunding companies.

**Enterprise Financial Management**: constitutes Electronic Invoicing, Digital Accounting, Financial Management and Business Intelligence, and Collections companies.

**Financial Wellbeing**: this segment includes Personal Financial Management Platforms, Comparison Platforms and Debt Management Platforms. Financial Education and Flexible Earned Wage Access (FEWA) Fintech startups sub-segments have also been added.

**Insurtech or Insurance**: this category includes Comparison Platforms, Distribution Channels and Lead Generation specific to insurers, as well as Digital Insurers. It also includes Technologies for Insurance Companies.
Digital Banking: here you will find Business Banking and Consumer Banking.

Proptech or Real Estate Services: this new segment arises from the identification of a critical mass of startups specialized in the real estate space. The subcategories it includes are: Real Estate Crowdfunding and Real Estate Technologies.

Open Finance: includes startups providing services in the Open Data and Open Capabilities categories. Open Capabilities includes startups that facilitate the connection to the financial system, bin sponsors, bank account management startups or end-to-end and modular service providers that allow third parties (Fintech and non-Fintech) to offer banking services without having to develop the banking infrastructure internally. Also considered in this category are embedded finance startups, i.e., those that provide non-financial products or services but incorporate or embed financial services as long as this represents an important business vertical within their business model (e.g., car sales with a financing model).

Wealth Management: this segment includes Digital Wealth Management Fintech, Robo-Advisors, Foreign Exchange Solutions, Securities Market Solutions and Cryptocurrency Exchanges.