

# QUEBEC FINTECH REPORT

Q1 2022



**Introducing the 1st Quebec FinTech Quarterly** – a new report we plan to publish each quarter about the FinTech startups and incumbents that chose Quebec as their headquarters. We will highlight key news, recent funding announcements, and track how the community is growing.

Quebec is a vibrant FinTech community in Canada with a diverse set of stakeholders in the ecosystem, and a strong sense of collaboration and shared objective to see everyone succeed.

## Fathom4sight Fathom Pro is live!

For more insights like this, **sign up for a demo of Fathom Pro Platform** – and access the deepest intel on FinTech innovation in Canada. Advisory support from the Fathom4sight experts to put insights into action!

**Sign Up for Pro Demo!**



**Station FinTech Accelerator – Open for Applications!**

**Apply Now!**

## QUEBEC FINTECH FACTS

Total of **198 FinTechs**

Founded after 2010 — **156**  
Founded before 2010 — **42**

Total of **18,894 Employees**

Founded after 2010 — **3449**  
Founded before 2010 — **15,445**

**\$154 Million** in Funding in Q1

**5 Acquisitions** and **19 Partnerships** Announced in Q1

## Q1 INSIGHTS

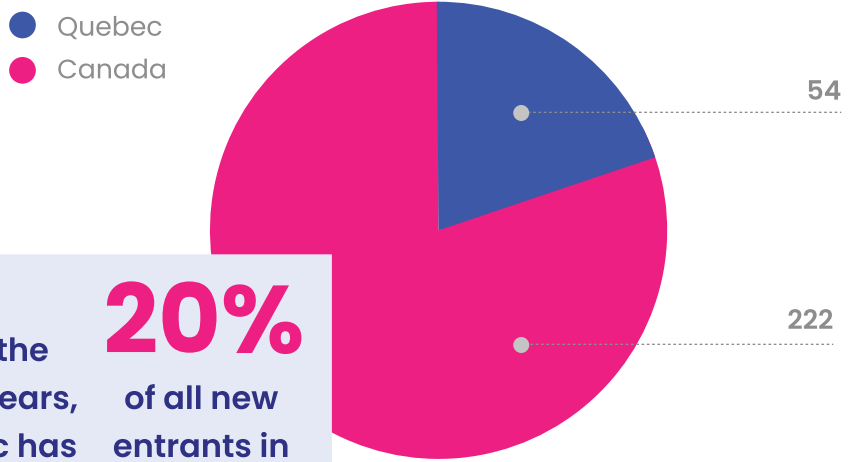
### FinTechs by Year Founded

10 New Entrants since 2021



### TOTAL NUMBER OF FINTECHS FOUNDED BETWEEN 2018 AND 2021 IN QUEBEC VS CANADA

Quebec is the 2nd largest FinTech province in Canada with 198 organizations.



Over the last 4 years, Quebec has launched **20%** of all new entrants in Canada.

### FinTechs by Business Model

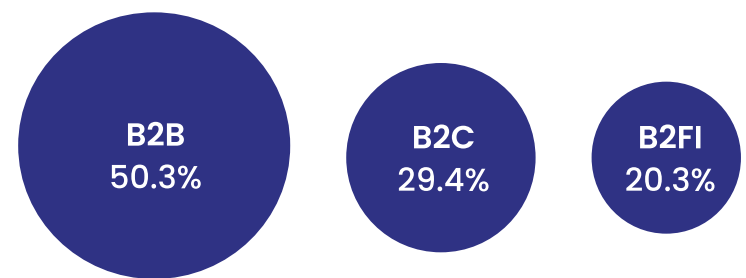
More than half of the FinTechs have B2B business model and offer products/services directly to businesses.

**B2FI** – FinTechs which sell tech and other services to financial institutions for their use in the provision of services to consumers or end-users.

**B2C** – FinTechs which offer products/services directly to consumers.

**B2B** – FinTechs which offer products/services directly to businesses.

### BY BUSINESS MODEL



**50%** of the FinTechs in Quebec are B2B companies which means they sell to businesses.

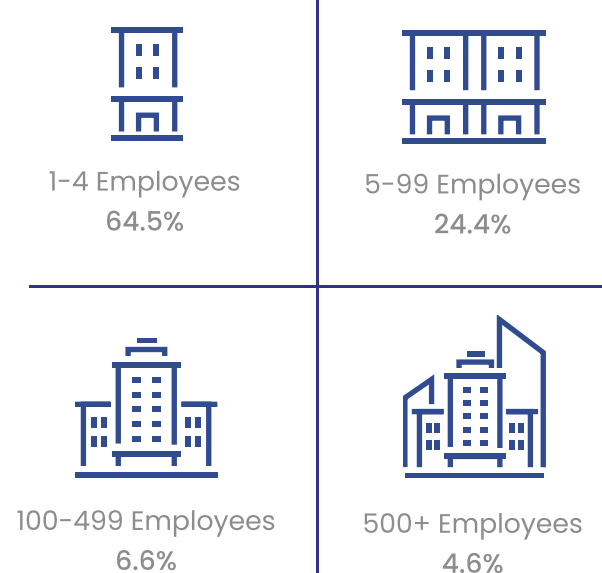
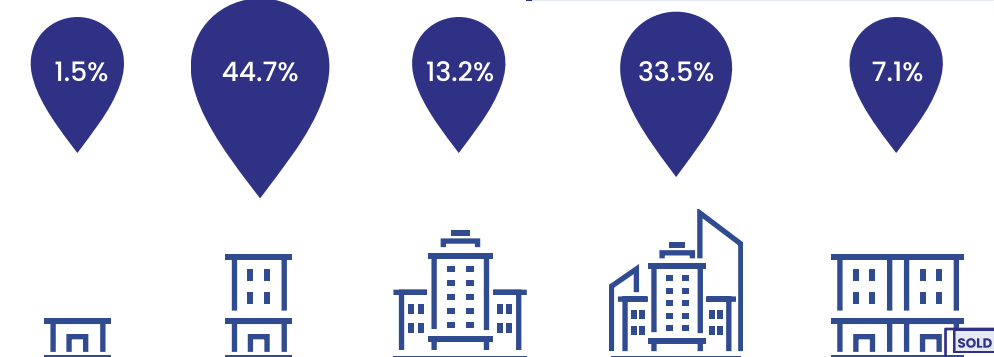
Quebec has many new and young companies ready to grow and scale to meet the needs of consumers and businesses with growing digital adoption rates.

### FinTechs by Stage of Growth

More than **40%** of the FinTechs in Quebec are in the early stage of growth.

More than **60%** of the FinTechs in Quebec have 1-4 employees.

### FinTechs by Size



Pre-Launch Stage    Early Stage    Expansion Stage    Later Stage    Acquired

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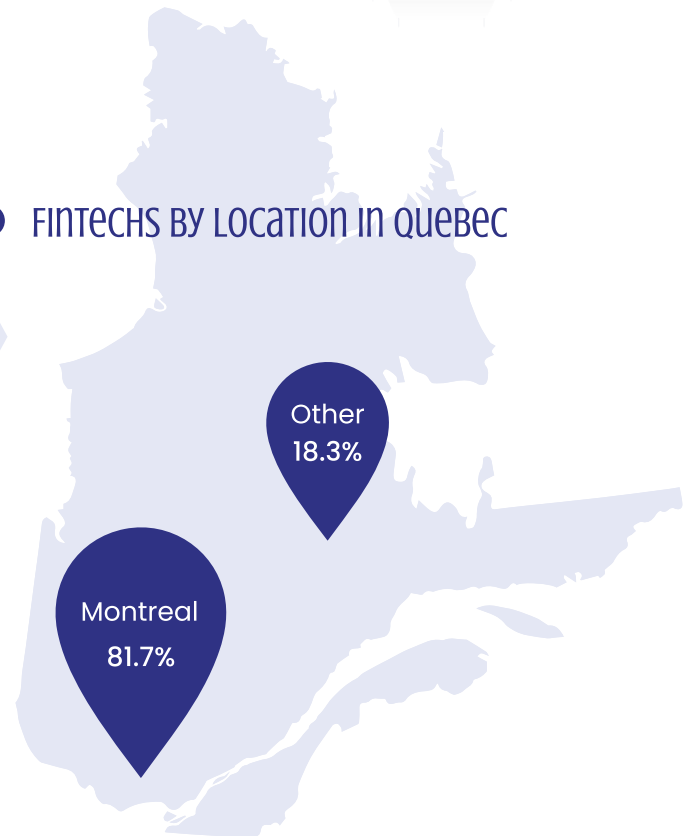


## FinTechs by Location

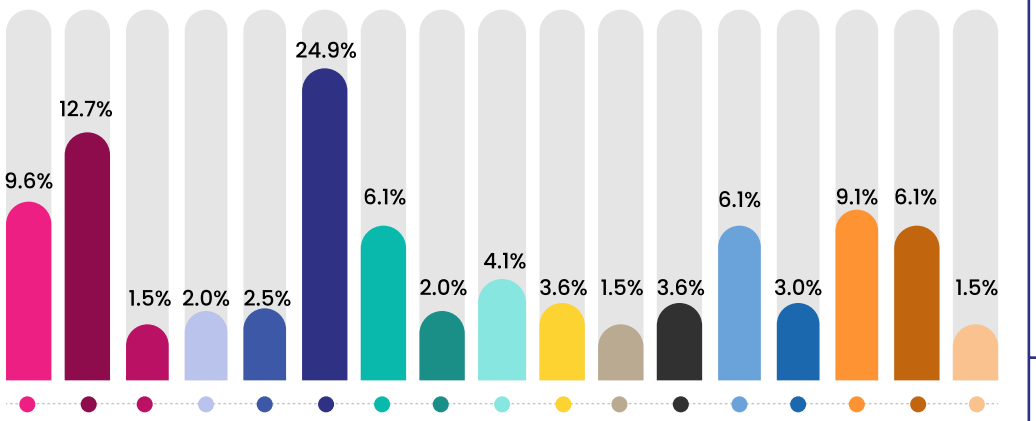
**80%**

of FinTechs headquartered in Montreal, but a healthy 18% are across the province and we expect this to grow.

### FINTECHS BY LOCATION IN QUEBEC



## FinTechs in Quebec by Sector



- Wealth & Asset Management
- Tech for Fin
- SME Ecosystem
- PropTech
- PFM
- PayTech
- AI & Data
- Alternative Assets
- Blockchain
- Capital Markets
- Challenger Bank
- Crowdfunding
- Crypto & Decentralized Banking
- ESG
- InsurTech
- LendTech
- Open Banking, BaaS

**25%** are in Payments

with Wealth, Insurance, Crypto and "Tech for Fin" the next biggest sectors.

## Q1 FINTECH TRENDS

- Some of the big success stories in **payments** are from Quebec, such as Nuvei, Lightspeed and Shakepay, and continue to make the news. News of the creation of Sesami as a result of a huge acquisition builds on payments innovation in the province.
- Open Banking** planning is underway, with the Lead announced and Flinks and National Bank standing up the first Open Banking Environment in Canada.
- The number of new SME and consumer challenger banks continue to grow, notably with the launch of Canada's 3rd SME bank, Pillar, in March. Canada is yet to see a super app launch, but banking and payments products are increasingly becoming **embedded finance** in consumer and SME non-financial platforms. One recent example is Square launching Square Loans and Square Card.
- Banking-as-a-Service** - Rise of embedded finance is leading to increasing number of Banks considering going down BaaS route.

## FinTech Fundings

<p><b>emma</b></p> <p>Emma</p> <p>Apr 13, 2022</p>	<p>Funding Round ..... Series A</p> <p>Funding Amount ..... CAD \$6,000,000</p> <p>Investors ..... Luge Capital, Investissement Quebec and Tactico</p>	<p><b>coinmiles</b></p> <p>Coinmiles</p> <p>Apr 04, 2022</p>	<p>Funding Round ..... Seed</p> <p>Funding Amount ..... Undisclosed</p> <p>Investors ..... Animoca Brands</p>
<p><b>LEXOP</b></p> <p>Lexop</p> <p>Feb 03, 2022</p>	<p>Funding Round ..... Seed</p> <p>Funding Amount ..... Undisclosed</p> <p>Investors ..... Companyon Ventures</p>	<p><b>WALO</b></p> <p>Walo (formerly CRZUS)</p> <p>Apr 04, 2022</p>	<p>Funding Round ..... Seed</p> <p>Funding Amount ..... CAD \$1,300,000</p> <p>Investors ..... WatchMojo.com, Granius Corp, Gov. of Quebec, Desjardins Venture Capital</p>
<p><b>hopper</b></p> <p>Hopper</p> <p>Feb 02, 2022</p>	<p>Funding Round ..... Secondary Market</p> <p>Funding Amount ..... CAD \$44,359,000</p> <p>Investors ..... Stack Capital, OMERS, Inovia, Goldman Sachs, Drive Capital, Citi, Brookfield Asset Mgmt.</p>	<p><b>stamped</b></p> <p>Stamped AI</p> <p>Apr 04, 2022</p>	<p>Funding Round ..... Seed</p> <p>Funding Amount ..... CAD \$2,000,000</p> <p>Investors ..... Telegraph Hill Capital, Mucker Capital, I2BF, Global Ventures</p>

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## FinTech Fundings

**clearestate**  
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**Clear Estate**  
 Feb 03, 2022

Funding Round ..... Series A  
 Funding Amount ..... CAD \$16,800,000  
 Investors ..... OMERS, Diagram Ventures, TorStar, Triangle Capital, NAVentures

**tickSmith**  
 -----  
**TickSmith Corp.**  
 Jan 26, 2022

Funding Round ..... Series A  
 Funding Amount ..... CAD \$25,332,000  
 Investors ..... Investissement Quebec, Fonds de solidarité FTQ, CME Ventures, Databricks Ventures, Anges Quebec, Anges Quebec Capital, Illuminate Financial Management.

**Shakepay**  
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**Shakepay**  
 Jan 20, 2022

Funding Round ..... Series A  
 Funding Amount ..... CAD \$44,000,000  
 Investors ..... QED Investors, Boost VC, BoxOne Ventures, Golden Ventures, Broadhaven, Henri-Charles Machalani, Mike Murchison, Jevon Macdonald, Mark MacLeod, Dan Debow, and Farhan Thawar

## Other Notable Events

- **Wealthica** to offer its users access to a completely digital mortgage experience.
- **Shakepay** launches its Bitcoin Rewards Card to Canadians.
- **Mogo** expands into Metaverse with Investment in NFT Trading Platform.
- **Nuvei, Equisoft, Paysend** continue global expansion with news of launches outside Canada.

## Acquisitions



## Partnerships



### Fathom4sight

### Finance Montreal

### FinTech Station

**Fathom4sight** is a new knowledge-as-a-service (Kaas) offering in the FinTech and financial product innovation research and consulting market, that provides access to both an online intelligence platform and strategic foresight advisors who help leaders plan and prepare for the future. Our **Fathom Pro** platform tracks FinTech entrants, FinTech moves of Big Tech, Brands and Financial Institutions, new product launches, fundings, acquisitions, and so much more, to help you make informed and data-driven strategic decisions. Check out our website or to book a demo, [click here](#).

Founded in 2010, **Finance Montreal**, Québec's financial cluster, is at the heart of the development and promotion of the Quebec financial services industry.

Finance Montréal brings together Governor Members, Partners, Associates and close to 300 volunteer professionals. The organization works on 4 pillars which includes Talents, FinTech and innovation, sustainable finance and international business development activities to make Quebec a constantly growing, innovative and attractive financial ecosystem in the world.

Supported by the Québec financial sector, Finance Montréal works to develop and promote the Montreal FinTech ecosystem, in particular through its Montreal **FinTech Station**, a 25,000 sf. modern FinTech Hub located in the heart of Montreal's financial district at Place Ville Marie. The FinTech hub is serving as a development catalyst for nearly 30 FinTech start-ups and supports corporative innovations. Over the years, multiple initiatives have been created by the team to support the growth of the FinTech ecosystem; the Canada FinTech Forum, the largest event of its kind in Canada, the Station Fintech Accelerator and the AMF Finance Montréal FinTech Chair, a research entity entirely dedicated to study the impacts of financial technologies.



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This Quarterly Quebec FinTech Report was produced in collaboration with Finance Montreal and Fathom4sight. The next report will be published in July 2022.

## CITATIONS

### Fundings

**Emma** • <https://www.newswire.ca/news-releases/montreal-insurtech-emma-closes-a-6m-series-a-round-solidifying-its-place-as-a-leader-in-the-canadian-insurtech-industry--844812382.html>

**CoinSmiles** • [https://www.crunchbase.com/funding\\_round/coinmiles-seed--140ca24f](https://www.crunchbase.com/funding_round/coinmiles-seed--140ca24f)

**Walo** • <https://www.newswire.ca/news-releases/walo-helping-kids-develop-healthy-financial-habits-843837638.html>

**TickSmith Corp.** • [https://www.pymnts.com/data/2022/ticksmith-nets-20m-for-its-b2b-data-web-store-platform/?utm\\_source=dvtr.it&utm\\_medium=twitter](https://www.pymnts.com/data/2022/ticksmith-nets-20m-for-its-b2b-data-web-store-platform/?utm_source=dvtr.it&utm_medium=twitter)

**Stamped** • <https://betakit.com/stamped-ai-closes-2-million-to-simplify-financial-statement-prep-for-smbs/>

### Acquisitions

**Payfacto + iShopFood Inc** • <https://www.prnewswire.com/news-releases/payfacto-acquires-ishopfood-inc-301455219.html>

**Sesami + Gunnebo + Tidel** • <https://betakit.com/diagram-and-real-ventures-backed-breathe-life-acquired-by-us-insurtech-se2/>

**Hardbacon + Simple Rate** • <https://www.globenewswire.com/news-release/2022/03/23/2408478/0/en/Hardbacon-Acquires-Simplerate-ca-to-Expand-Its-Credit-Cards-and-Rewards-Content-Offering.html>

### Partnerships

**Nuvei x Dapper** • <https://thelogic.co/news/nuvei-to-process-payments-for-dapper-labs-flow-blockchain/>

**Nuvei x Wix** • <https://www.globenewswire.com/news-release/2022/01/13/2366708/0/en/Nuvei-Partners-with-Wix-to-Process-Payments.html>

**bdc x Mila** • <https://finance.yahoo.com/news/bdc-announces-strategic-partnership-mila-120000101.html>

**Hardbacon x MetroMedia** • <https://www.globenewswire.com/news-release/2022/01/26/2373458/0/en/Hardbacon-Partners-With-M%C3%A9tro-M%C3%A9dia-to-Launch-a-New-Content-Destination-Dedicated-to-Personal-Finances.html>

**Beneva x Velocity** • <https://www.prnewswire.com/news-releases/beneva-selects-vitechs-v3locity-to-power-group-insurance-activities-301472826.html>

**Mila x AI Sweden** • <https://finance.yahoo.com/news/mila-announces-partnership-ai-sweden-120000620.html>

**ndex systems x Wealthscope** • <https://www.newswire.ca/news-releases/wealthscope-partners-with-ndex-systems-to-offer-investment-advisors-an-on-demand-investment-analysis-solution-828114140.html>

### Events

**Mogo Metaverse** • <https://www.fintech.ca/2022/01/12/mogo-invests-in-nft-trading-platform/>

**Clear Estate** • <https://www.prnewswire.com/news-releases/clearestate-secures-13-25m-series-a-led-by-omers-ventures-301474642.html>

**Lexop** • <https://www.finsmes.com/2022/02/lexop-closes-expansion-round-of-undisclosed-amount.html>

**Hopper** • <https://betakit.com/hopper-now-valued-at-5-billion-after-35-million-secondary-deal/>

**Shakepay** • <https://betakit.com/shakepay-secures-44-million-series-a-led-by-qed-investors-to-roll-out-more-bitcoin-products/>

**Breathe + Diagram** • <https://betakit.com/diagram-and-real-ventures-backed-breathe-life-acquired-by-us-insurtech-se2/>

**Dialogue + Tictrac** • <https://betakit.com/dialogue-to-acquire-uk-based-tictrac-for-up-to-56-million/>

**XT.com x Nuvei** • <https://www.globenewswire.com/news-release/2022/03/30/2412924/0/en/Nuvei-and-XT-COM-Team-Up-to-Enhance-the-Onboarding-of-New-Users.html>

**Flinks x Paramount Commerce** • <https://thepaypers.com/online-payments/paramount-commerce-selects-flinks-open-banking-api--1255462#>

**NextMarkets x Nuvei** • <https://www.globenewswire.com/en/news-release/2022/04/12/2421102/0/en/nextmarkets-Partners-with-Nuvei-to-Expand-Internationally.html>

**Wealthica x Mogo** • <https://www.newswire.ca/news-releases/wealthica-and-mogo-s-tactex-division-partner-to-feature-unique-investment-opportunities-857023439.html>

**Wealthica digital experience** • <https://www.newswire.ca/news-releases/wealthica-to-offer-its-users-access-to-a-completely-digital-mortgage-experience-844572978.html>