

QUEBEC FINTECH REPORT

Q2 2022

Q2 of 2022 has been a bumpy quarter for the FinTech market in Canada. Financial market corrections, crypto company challenges and lower company valuations have led to less optimism in the ecosystem. But then the story in this report might suggest otherwise and so, like most things in the past 2+ years, it's quite hard to predict what might happen in the rest of 2022.

For now, Q2 has seen 3% job growth in new FinTechs, new companies added to the list, impressive funding and new VC fund announcement, and many new partnerships and product launches. In this report, we are pleased to profile the largest sector in Quebec: the 50 PayTechs that employ 19% of the total workforce in Quebec.

November 7-9
CANADA FINTECH FORUM
 in Montreal

[Learn More!](#)

FINANCE MONTREAL STATION FINTECH MONTREAL

Station FinTech Accelerator – Open for Applications!

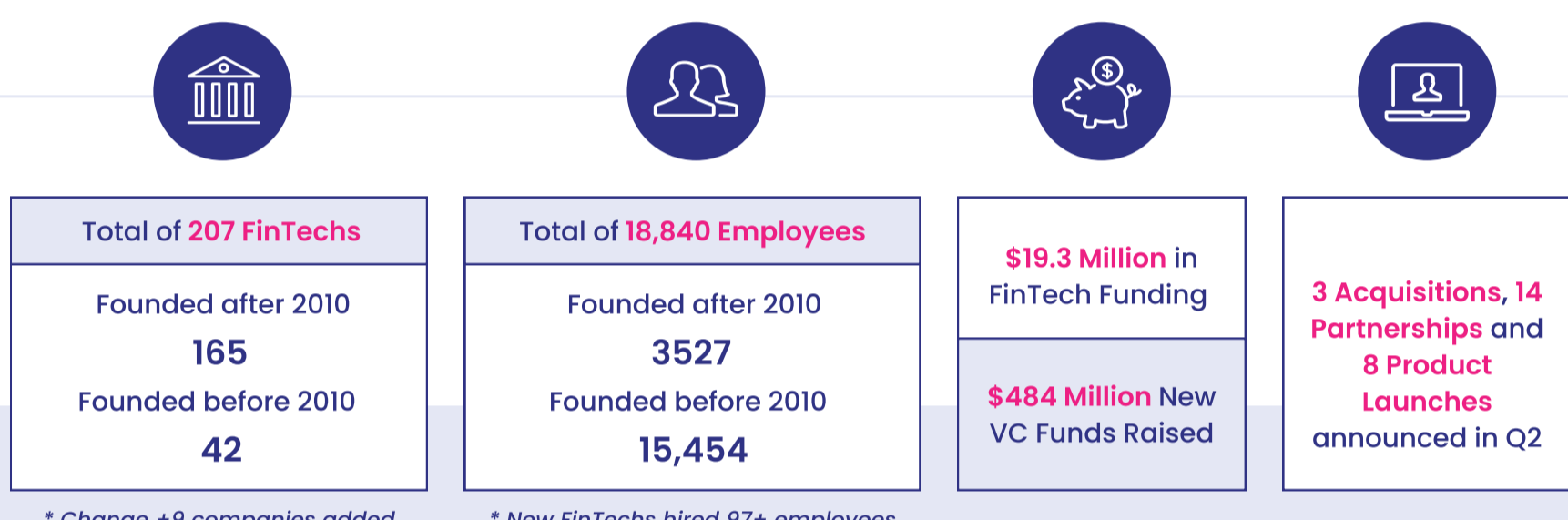
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Fathom4sight

For more insights like this, [sign up for a demo](#) of Fathom4sight's **Fathom Pro Platform** – and access the deepest intel on FinTech and incumbent innovation in Canada, and tap into advisory support from the Fathom4sight experts to put the insights into action!

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QUEBEC FINTECH FACTS

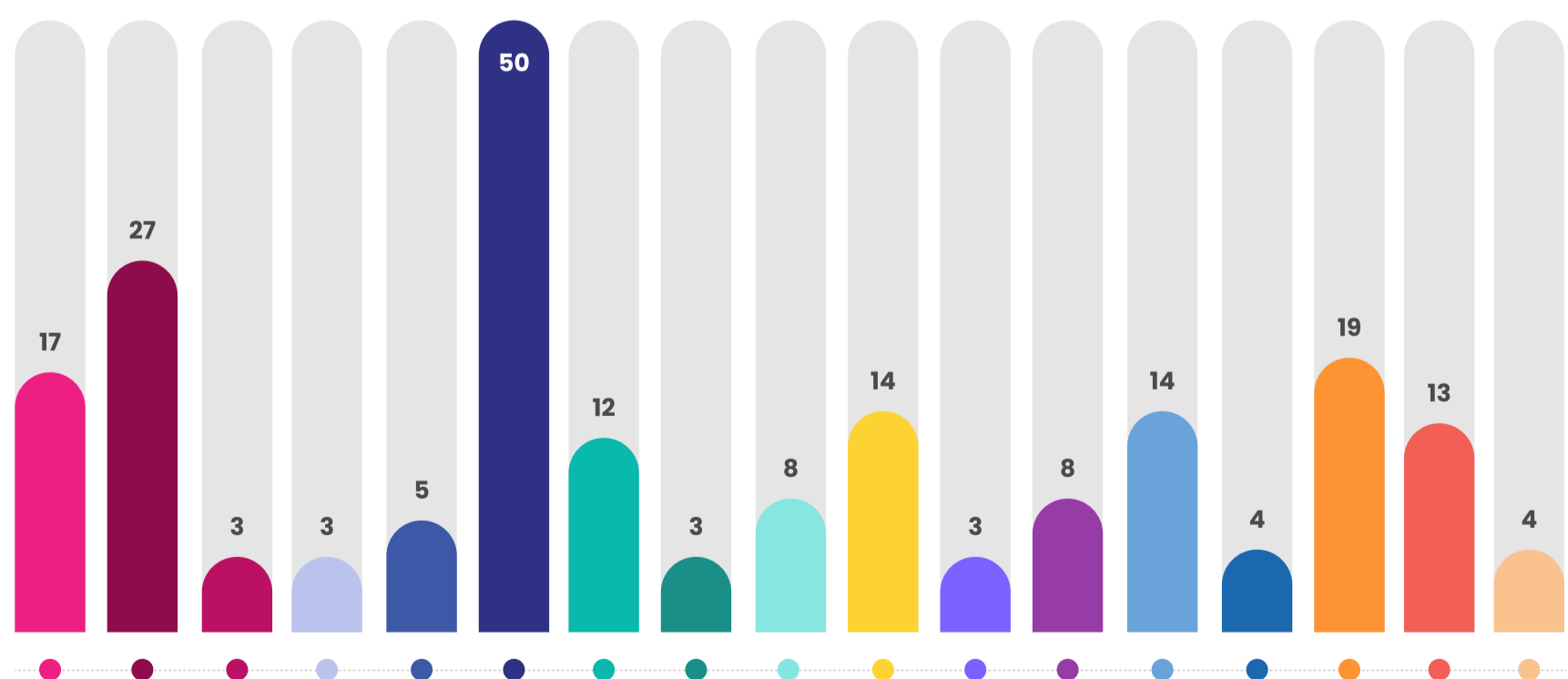


Q2 INSIGHTS

Quebec FinTechs Added in Q2

Dello, a new 2021 company, came on our radar with their news of partnering with PandaPay.

FinTechs in Quebec by Sector



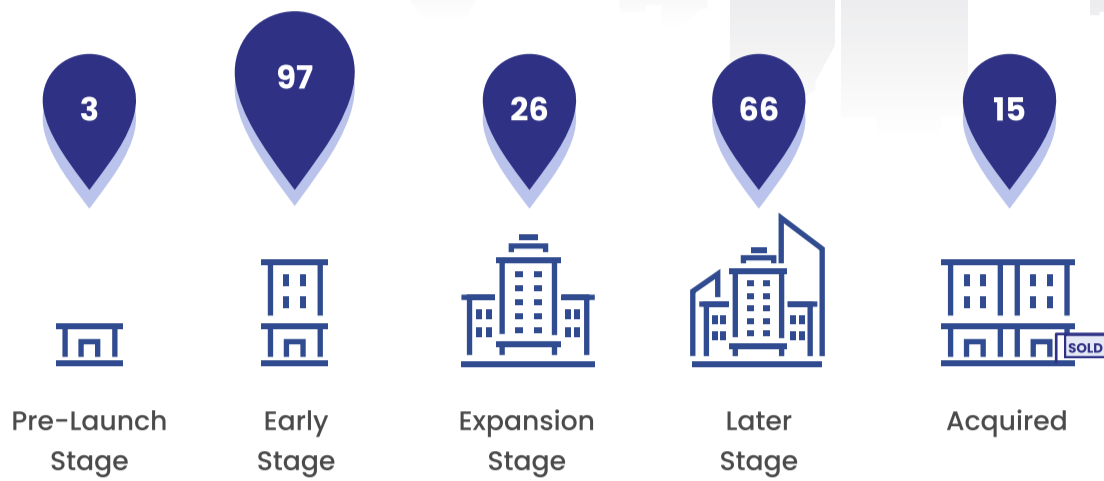
- Wealth & Asset Management
- Tech for Fin
- SME Ecosystem
- PropTech
- PFM
- PayTech
- AI & Data
- Alternative Assets
- Blockchain
- Capital Markets
- Challenger Bank
- Crowdfunding
- Crypto & Decentralized Banking
- ESG
- InsurTech
- LendTech
- Open Banking, Baas

PayTech, the largest FinTech sector in Canada, constitutes ~1/4th of the FinTech space in Quebec.

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FinTechs by Stage



The high proportion of Quebec FinTechs are Early stage.

FinTechs by Size

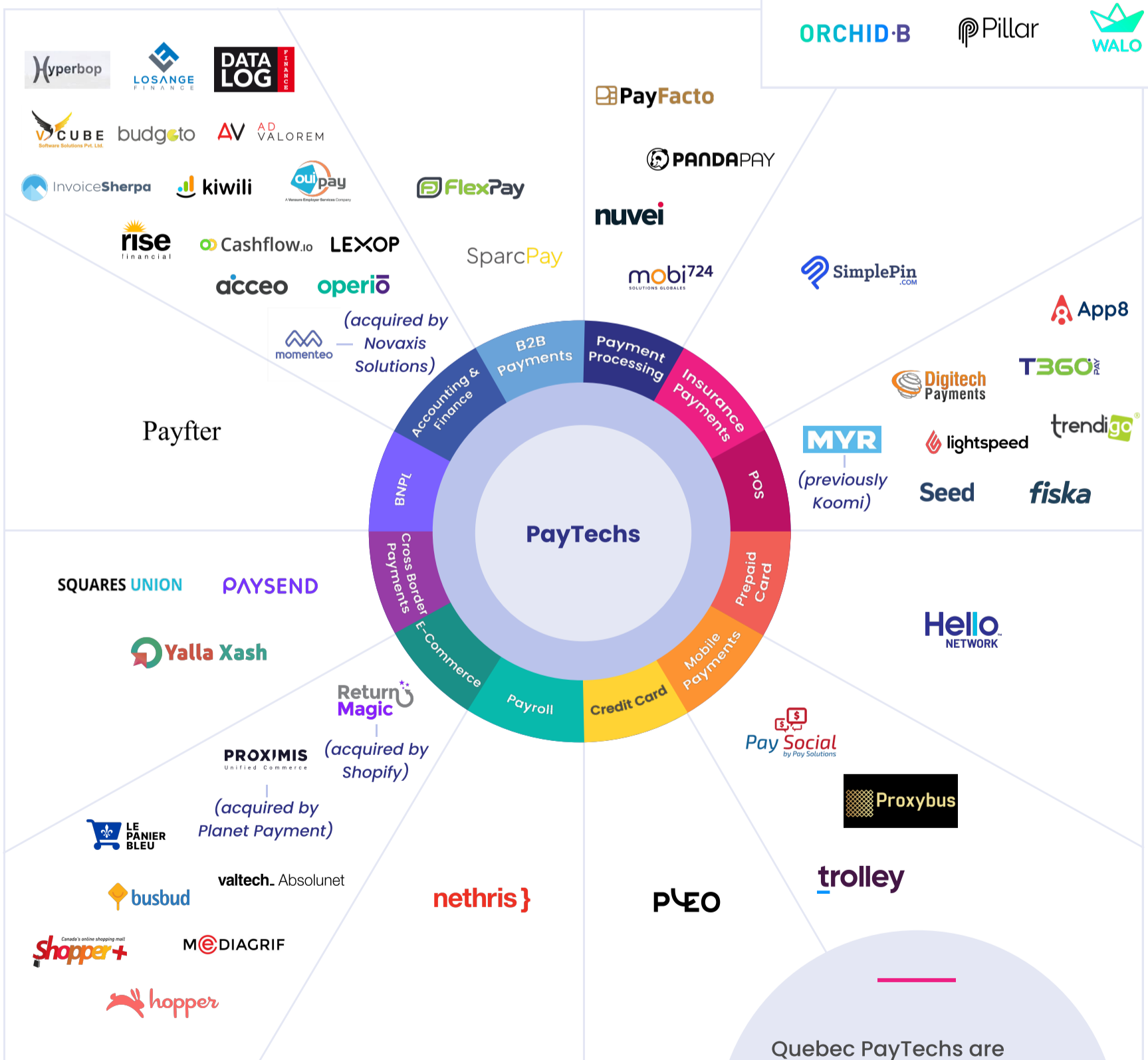


Small businesses with 5-99 employees are the largest sector in Canada and in Quebec.

Q2 PROFILE SEGMENT: PAYTECHS

Market Map for the Largest FinTech Sector: 50 PayTechs

Quebec's 3 Big Challenger Banks: Beyond Payments



Quebec PayTechs are dominated by solutions for businesses with the biggest verticals in Payment processing, POS, E-Commerce and Accounting & Finance.

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10 Biggest PayTechs by CDN Employee Count

Top 10 PayTechs	Canada-Based Employee Count	Total Company Employee Count
Lightspeed POS	948	2108
Mediagrif Interactive Tech.	575	920
ACCEO	389	391
Nethris	320	320
Hopper	261	1209
Nuvei	204	1211
Valtech_Absolunet	188	195
PayFacto	175	186
Trolley (formerly Payment Rails)	47	57
PandaPay	47	51

The 10 biggest PayTechs employ 16.7% of Quebec's FinTech employees.

Q2 MARKET ACTIVITY

FinTech Fundings

New VC Funds Launched

01

02

03

01

02

LIGHTHOUSE LABS

flare

Hardbacon

inovia

Impression Ventures

Lighthouse Labs
\$9.1M

Flare Systems
\$9.5M

Hardbacon
\$700K

Inovia
\$420M

Impression Ventures
\$64M

Acquisitions

CGI

+

HARWELL MANAGEMENT

MORNINGSTAR

+

AQUANTIX

SE2

+

breathe

Partnerships

nuvei

x

novibet

MOGO

Tactex

x

WEALTHICA

nuvei

x

Bibox

nuvei

x

FIFTH THIRD BANK

TickSmith

x

EÖSE

Fairstone

x

SAGENT

Hardbacon

x

SECURIGLOBE

cdbaby

x

trolley

hopper

x

Expedia

lightspeed

x

THREEDIUM

dello.

x

PANDAPAY

LEXOP

x

Audi

x

VW

Other Notable Events

- CGI named by Forbes magazine as one of America's Best Management Consulting Firm.
- American Crypto Universal Standard 9 Canadian companies joined, including Quebec's Shakepay.
- Lightspeed announced unlimited paid leave.

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• New Product Launches



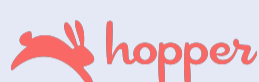
Zelros

- Announces “Milky Way” product release - new actionable insights for insurers.



Lightspeed

- Launches Lightspeed Retail, an offering that combines advanced POS, payments and eCommerce into one platform.



Hopper

- Rolls out new FinTech products and aims to build a super app.



Elligencia

- Launches Ellisense - an array of real-time buyer-seller market sentiment indexes for the financial market.



Nuvei

- Launches a new risk management model underpinned by cutting-edge machine learning technology for its Instant Bank Transfer product in North America.



Paysend

- Announces the launch of Paysend Business for SMEs - an end-to-end payments platform.



Fathom4sight

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](#).

Finance Montreal

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.

FinTech Station

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 corporate 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.

CITATIONS

Fundings

Lighthouse Labs • <https://betakit.com/white-star-capital-coveo-alum-led-lighthouse-labs-closes-9-1-million-cad-to-build-a-search-platform-for-the-metaverse/>

Flare Systems • <https://www.finsmes.com/2022/06/flare-raises-cad9-5m-in-series-a-funding.html>

New VC Funds Launched

Inovia • <https://betakit.com/inovia-raises-420-million-cad-for-fifth-early-stage-venture-fund/>

Acquisitions

CGI + Harwell • https://www.marketscreener.com/quote/stock/CGI-INC-54202298/news/CGI-completes-acquisition-of-French-based-Harwell-Management-to-offer-a-broader-range-of-financial-c-40585528/?utm_content=20220530&utm_medium=RSS

Morningstar + Aquatix • https://www.prnewswire.com/news-releases/morningstar-sustainalytics-acquires-property-level-climate-risk-data-provider-aquantix-301577233.html?utm_source=briefedin&utm_medium=email&utm_campaign=weekly-newsletter

Hardbacon • https://www.frontfundr.com/hardbacon?utm_source=hb&utm_medium=display&utm_campaign=hb_pop_up_fr

Impression Ventures • <https://www.fintech.ca/2022/05/10/impression-ventures-launches-fund-seed-fintech/>

se2 + BreatheLife • https://www.prnewswire.com/news-releases/morningstar-sustainalytics-acquires-property-level-climate-risk-data-provider-aquantix-301577233.html?utm_source=briefedin&utm_medium=email&utm_campaign=weekly-newsletter

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CITATIONS

Partnerships

Nuvei x Novibet • <https://www.globenewswire.com/news-release/2022/04/25/2428239/0/en/Novibet-Extends-its-Global-Partnership-with-Nuvei-for-Card-Processing-and-Alternative-Payments.html>

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

Nuvei x Bibox • <https://cryptonews.net/news/market/6273585/>

Nuvei x Fifth Third Bank • <https://sbcamericas.com/2022/05/05/nuvei-links-with-fifth-third-bank-to-deliver-real-time-deposits-to-us-igaming/#:~:text=North%20America-,Nuvei%20links%20with%20Fifth%20Third%20Bank%20to,time%20deposits%20to%20US%20igaming&text=Payment%20platform%20Nuvei%20Corporation%20has,igaming%20and%20sports%20betting%20markets>

Ticksmith x EOSE • <https://sbcamericas.com/2022/05/05/nuvei-links-with-fifth-third-bank-to-deliver-real-time-deposits-to-us-igaming/#:~:text=North%20America-,Nuvei%20links%20with%20Fifth%20Third%20Bank%20to,time%20deposits%20to%20US%20igaming&text=Payment%20platform%20Nuvei%20Corporation%20has,igaming%20and%20sports%20betting%20markets>

Other Notable Events

CGI • https://www.marketscreener.com/quote/stock/CGI-INC-54202298/news/Forbes-names-CGI-as-one-of-America-s-Best-Management-Consulting-Firms-for-second-straight-year-40415985/?utm_content=20220512&utm_medium=RSS

Shakepay • <https://betakit.com/wealthsimple-among-international-group-of-companies-joining-anti-money-laundering-crypto-standard/>

New Product Launches

Zelros • <https://www.destinationcrm.com/Articles/ReadArticle.aspx?ArticleID=152258>

Hopper • <https://www.destinationcrm.com/Articles/ReadArticle.aspx?ArticleID=152258>

ElligencIA • <https://www.elligencia.com/what-we-do#products>

Nuvei • <https://www.newswire.ca/news-releases/lightspeed-launches-groundbreaking-b2b-network-to-connect-brands-and-retailers-875833095.html>

Fairstone x Sagent • <https://www.businesswire.com/news/home/20220517005876/en/Fairstone-Financial-Inc.-Extends-Sagent-Software-Partnership-Five-Years-to-Power-its-Personal-Loans-Offerings>

Hardbacon x Securiglobe • <https://www.insurance-canada.ca/2022/06/27/hardbacon-partnership-securiglobe-travel/>

CD Baby x Trolley • <https://www.fintech.ca/2022/05/17/cd-baby-montreal-trolley-artist-payout-partner/>

Hopper x Expedia • <https://skift.com/2022/06/01/hopper-and-expedias-vrbo-partner-on-global-vacation-rentals/>

Lightspeed x Threedium • <https://www.martechcube.com/threedium-lightspeed-to-provide-3d-product-visualization/>

Dello x Pandapay • <https://finance.yahoo.com/news/accepting-both-fiat-cryptocurrencies-same-140000645.html>

Lexop x Audi Finance x Volkswagen Finance • <https://www.fintechfutures.com/techwire/audi-finance-and-volkswagen-finance-and-lexop-announce-partnership-to-optimize-collections-using-contactless-technology/>

Lightspeed • <https://financialpost.com/fp-work/montreal-lightspeed-is-leading-the-workplace-renaissance>

Paysend • <https://financialit.net/news/payments/paysend-helps-accelerate-sme-growth-new-business-product>

Lightspeed • <https://www.pymnts.com/news/ecommerce/2022/lightspeed-commerce-unveils-retail-platform/>

<https://www.newswire.ca/news-releases/lightspeed-launches-groundbreaking-b2b-network-to-connect-brands-and-retailers-875833095.html>