European Crowdfunding Market Report 2023

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Introduction

Objective

1. **Present the status** of the European crowdfunding markets and its trends.
2. **Identify key characteristics** of European platforms, fundraisers, and backers/investors.

Data collection

1. **Mapping and updating list of platforms** operating in European countries based on desktop research and team network relations.
2. **Survey sent to contacts in platforms** with multiple reminders.
3. **Surveys made available in *multiple languages*** including English, French, German, Spanish, Italian, and Czech.
4. **Data from Kickstart and Indiegogo received from research partner** – Crowdfunding Center in the UK.

Quality checks

1. **Suspicious entries were checked** with platforms.
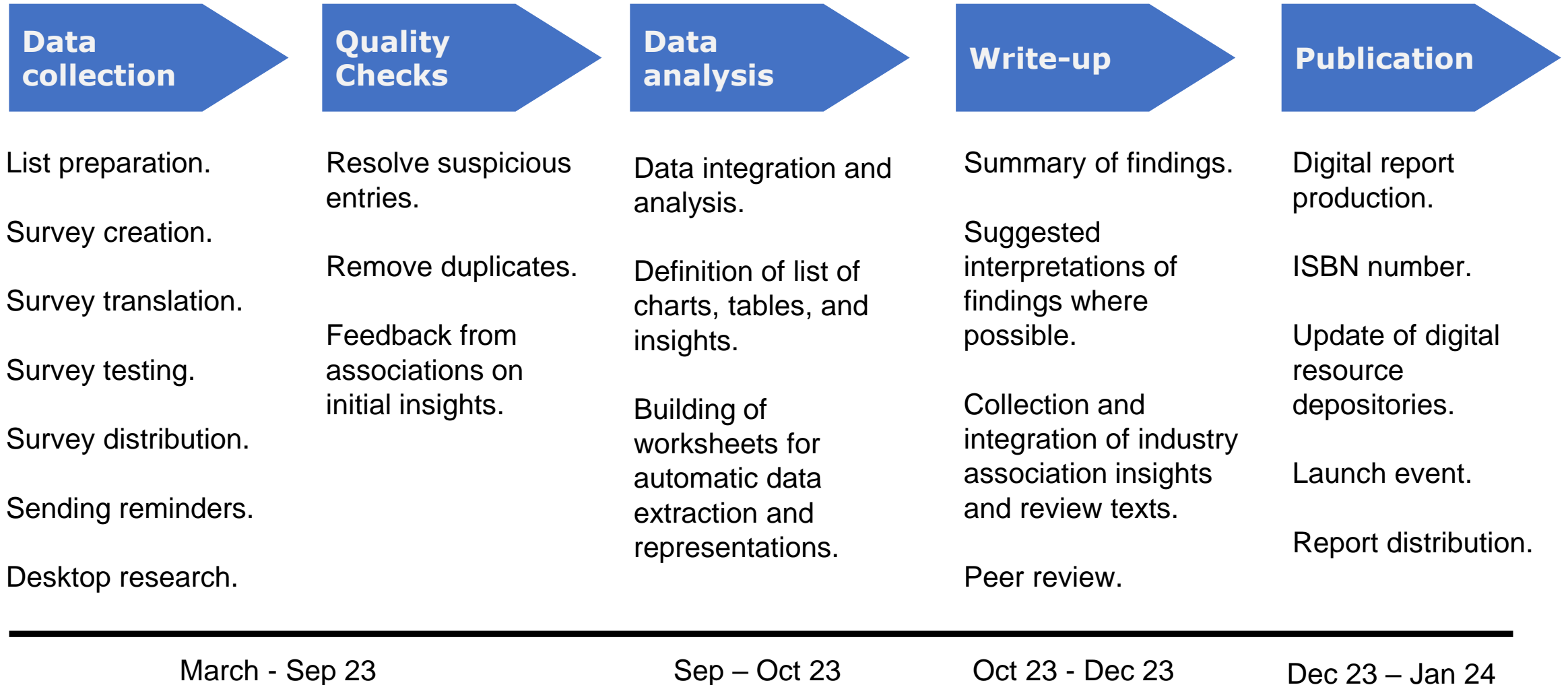2. **Multiple entries from same platform were reduced** to one, based on completeness of data.

Distribution
1. Distributed by e-mail and LinkedIn.
2. Distributed via partner associations to member platforms.
3. Multiple reminders based on need.

Our Partners:

Lithuanian P2P Lending Association

Data collection

List preparation.

Survey creation.

Survey translation.

Survey testing.

Survey distribution.

Sending reminders.

Desktop research.

Quality Checks

Resolve suspicious entries.

Remove duplicates.

Feedback from associations on initial insights.

Data analysis

Data integration and analysis.

Definition of list of charts, tables, and insights.

Building of worksheets for automatic data extraction and representations.

Write-up

Summary of findings.

Suggested interpretations of findings where possible.

Collection and integration of industry association insights and review texts.

Peer review.

Publication

Digital report production.

ISBN number.

Update of digital resource depositories.

Launch event.

Report distribution.

March - Sep 23   Sep – Oct 23   Oct 23 - Dec 23   Dec 23 – Jan 24

Sample

Response rate

Received responses from **125 platforms** out of a population of 594 identified as operating in European countries. Overall, representing **21% response rate**.

Out of which the respondents included:

43 platforms offering equity models - 34.4%.
53 platforms offering lending models – 42.4%.
29 platforms offering non-investment models – 23.2%.

Important definitions: Models

1 | **Equity**

2 | **Lending**

3 | **Non-investment**

Equity
- Equity crowdfunding
- Fractional ownership of Real Estate assets
- Fractional ownership of non-Real Estate assets
- Revenue or profit- sharing agreements
- Royalty payments
- Community shares
- Debt-based securities
- Security Token Offering (STO)
- Initial Coin Offering (ICO)
- Crowdfunded invoice trading

Lending
- P2P lending for consumers
- P2P lending for business
- P2P lending for property development
- Mini-bonds
- Microfinance and P2P Prosocial lending

Non-investment
- Donation - one time
- Donation - subscription
- Reward-based crowdfunding

Important definitions: Regions

Northern	Southern	Western	Eastern
Denmark	Albania	Austria	Bulgaria
Estonia	Bosnia & Herzegovina	Belgium	Czechia
Finland	Croatia	France	Poland
Iceland	Cyprus	Germany	Romania
Ireland	Greece	Liechtenstein	Slovakia
Latvia	Italy	Luxembourg	Ukraine
Lithuania	Malta	Monaco	
Norway	Montenegro	Netherlands	
Sweden	North Macedonia	Portugal	
UK	Serbia	Spain	
	Slovenia	Switzerland	

* No data was collected from Belarus and Russia.
** No data was found for crowdfunding activity in Andorra, Kosovo, Moldova, San Marino, and the Vatican during 2021-2022.

Market Overview

Crowdfunding platforms by countries

Country	Number of platforms operating in country	Rank based on number of platforms per capita
Monaco	4	1
Estonia	32	2
Malta	5	3
Latvia	18	4
Iceland	3	5
Lithuania	17	6
Switzerland	49	7
Luxembourg	3	8
Croatia	16	9
Cyprus	5	10
Netherlands	60	11
Montenegro	2	12
Norway	15	13
Austria	24	14
Denmark	13	15
Ireland	10	16
Czechia	17	17
Belgium	18	18
United Kingdom	100	19
Slovakia	8	20

Country	Number of platforms operating in country	Rank based on number of platforms per capita
Finland	8	21
France	96	22
Germany	113	23
Sweden	14	24
North Macedonia	2	25
Spain	46	26
Slovenia	2	27
Bulgaria	6	28
Portugal	8	29
Albania	2	30
Bosnia Herzegovina	2	31
Italy	33	32
Greece	5	33
Serbia	3	34
Hungary	3	35
Poland	10	36
Ukraine	9	37
Romania	4	38
Moldova	0	39

- Highest number of platforms in Germany, UK, and France.

- Highest number of platforms per capita in small rich economies including Baltic states.

Crowdfunding volumes per platform: All Models

Crowdfunding volumes per platform 2021 - All models

50M+
14.7%

0 - 0.5M
20.9%

0.5M - 1M
9.3%

20M - 50M
16.3%

10M - 20M
13.2%

1M - 5M
16.3%

5M - 10M
9.3%

Crowdfunding volumes per platform 2022 - All models

50M+
18.6%

0 - 0.5M
16.3%

0.5M - 1M
6.2%

20M - 50M
17.8%

1M - 5M
20.9%

10M - 20M
15.5%

5M - 10M
4.7%
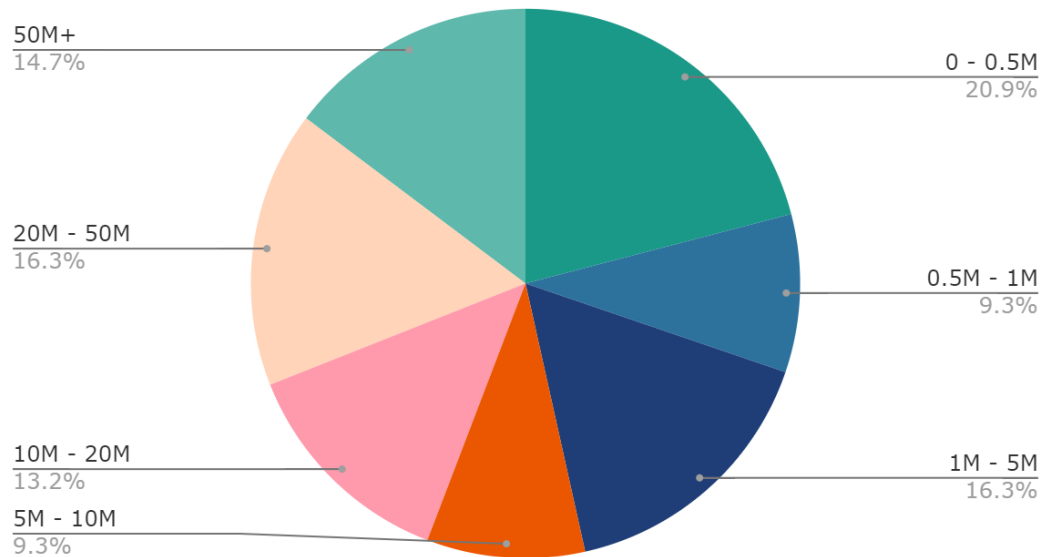
Raising an approximated average of EUR 16 m per platform across models in 2021.
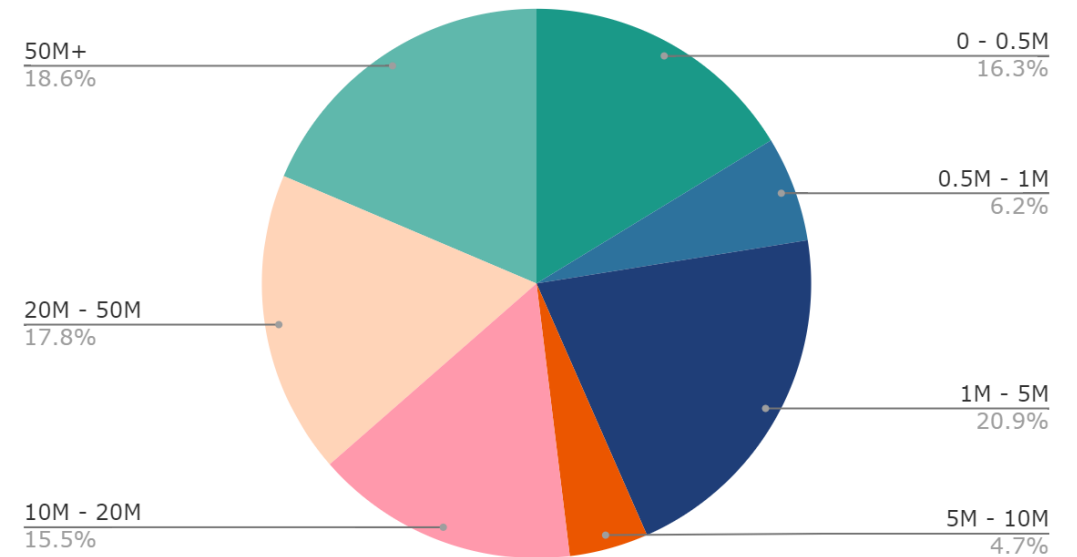
Raising an approximated average of EUR 19 m per platform across models in 2022. *Growth of 17% from 2021.*

Crowdfunding volumes per platform: Equity

Equity crowdfunding volumes per platform 2021

- 50M+ 13.7%
- 20M - 50M 17.6%
- 10M - 20M 5.9%
- 5M - 10M 13.7%
- 0 - 0.5M 25.5%
- 0.5M - 1M 3.9%
- 1M - 5M 19.6%

Equity crowdfunding volumes per platform 2022

- 50M+ 6.7%
- 20M - 50M 13.3%
- 10M - 20M 17.8%
- 5M - 10M 6.7%
- 0 - 0.5M 31.1%
- 0.5M - 1M 4.4%
- 1M - 5M 20.0%
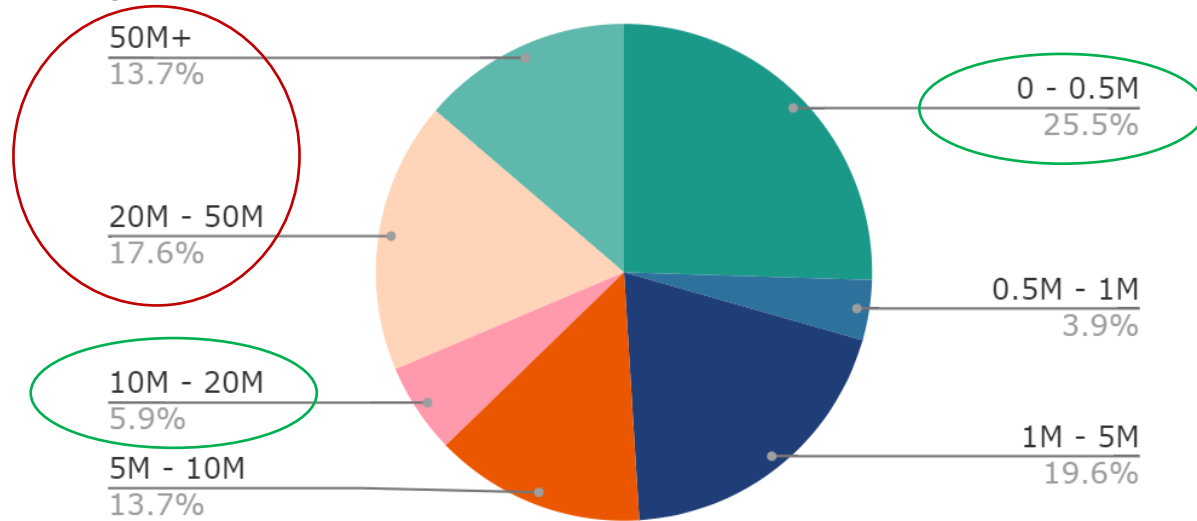
Raising an approximated average of EUR 14.9 m per platform across models in 2021.
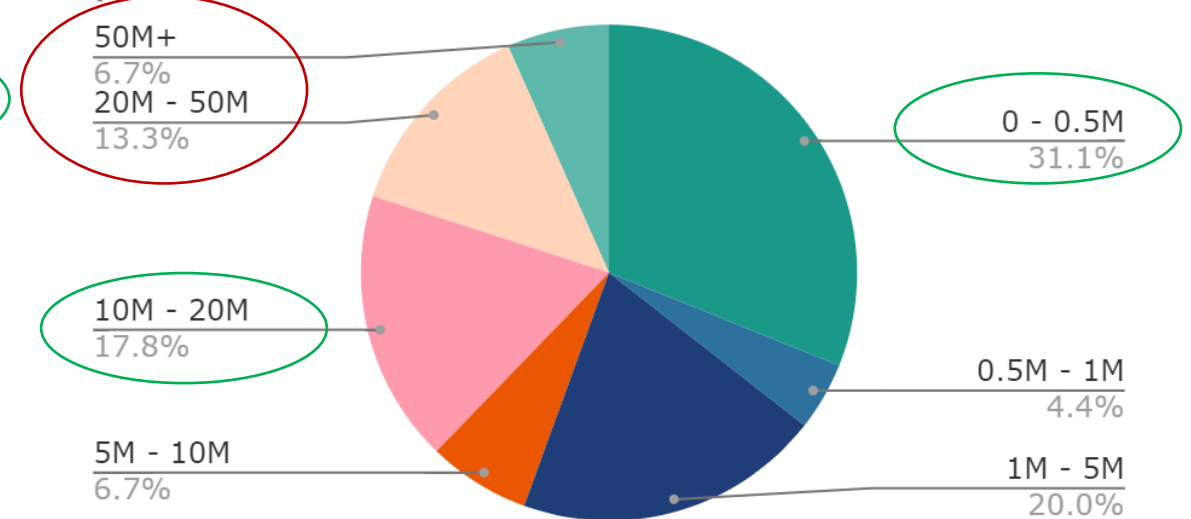
Raising an approximated average of EUR 15.7 m per platform across models in 2022. **Growth of 5.3% from 2021.**

Crowdfunding volumes per platform: Lending

Crowdfunded lending volumes per platform 2021

50M+
16.9%

20M - 50M
16.9%

10M - 20M
22.0%

0 - 0.5M
23.7%

0.5M - 1M
3.4%

1M - 5M
15.3%

5M - 10M
1.7%

Crowdfunded Lending volumes per platform 2022

50M+
22.0%

20M - 50M
27.1%

0 - 0.5M
22.0%

0.5M - 1M
1.7%

1M - 5M
13.6%

5M - 10M
1.7%

10M - 20M
11.9%
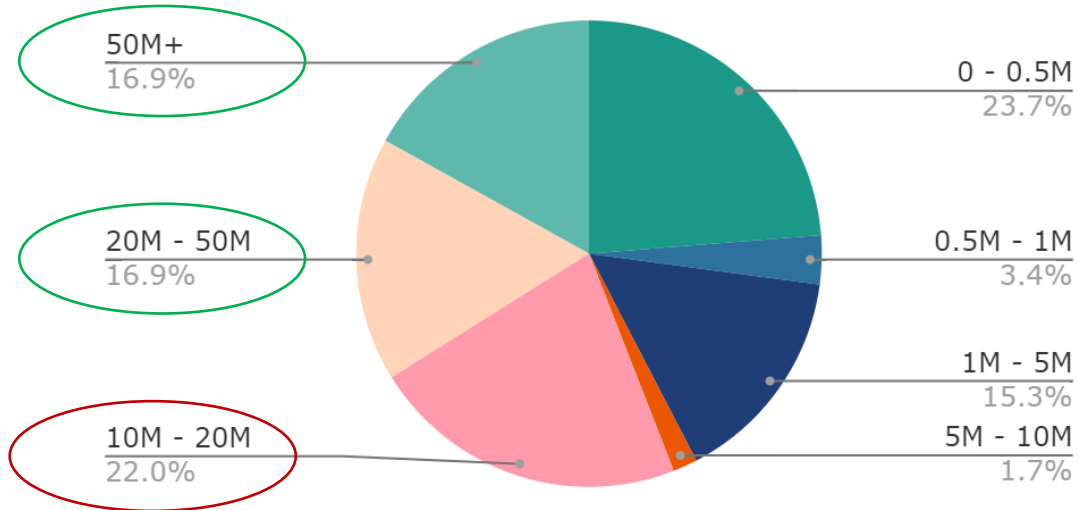
Raising an approximated average of EUR 19.8 m per platform across models in 2021.
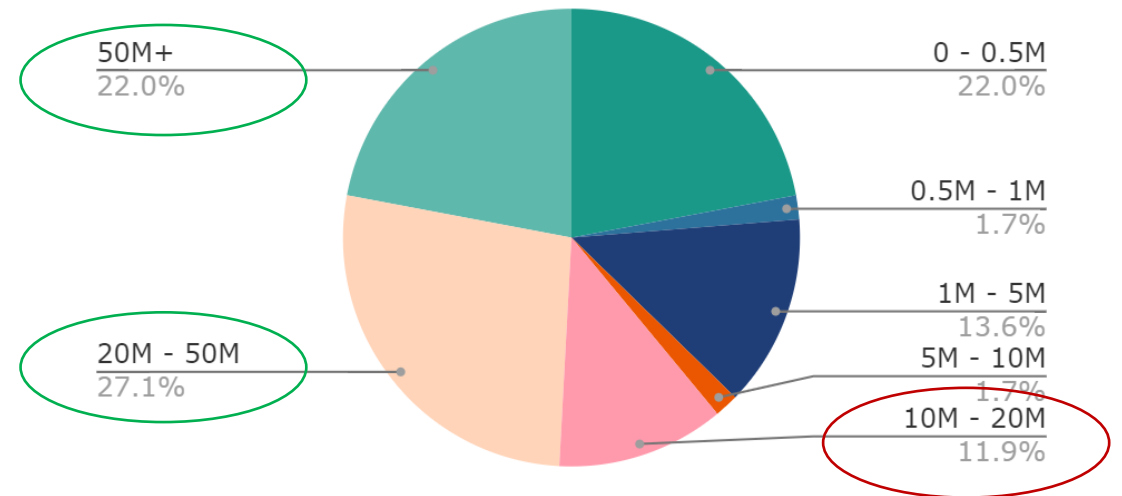
Raising an approximated average of EUR 24.4 m per platform across models in 2022. **Growth of 23% from 2021.**

13

Crowdfunding volumes per platform: Non-Investment

Non-investment crowdfunding volumes per platform 2021

- 50M+ 13.8%
- 20M - 50M 17.2%
- 0 - 0.5M 34.5%
- 5M - 10M 6.9%
- 1M - 5M 3.4%
- 0.5M - 1M 24.1%

Non-investment crowdfunding volumes per platform 2022

- 50M+ 6.5%
- 20M - 50M 12.9%
- 10M - 20M 3.2%
- 5M - 10M 6.5%
- 1M - 5M 22.6%
- 0 - 0.5M 32.3%
- 0.5M - 1M 16.1%
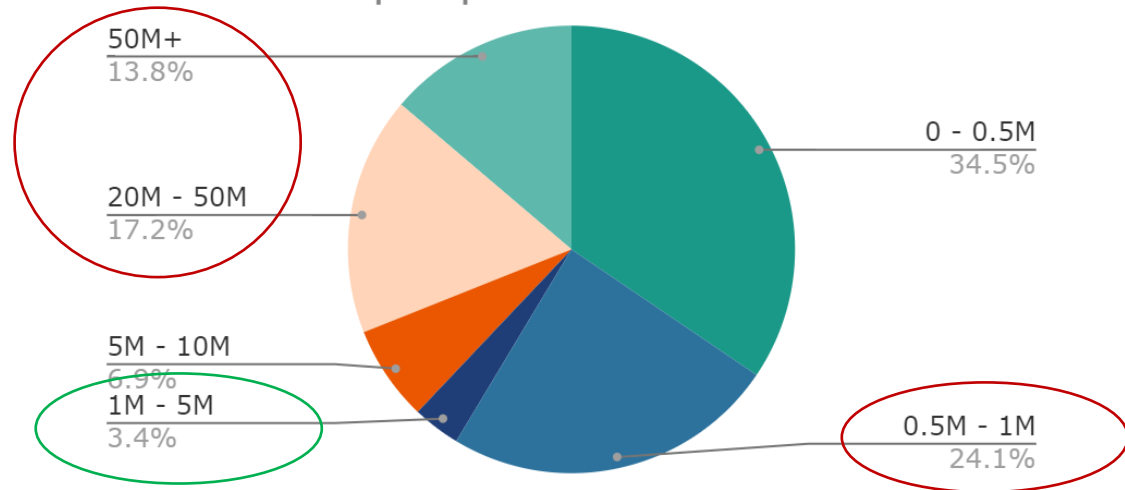
Raising an approximated average of EUR 9.4 m per platform across models in 2021.
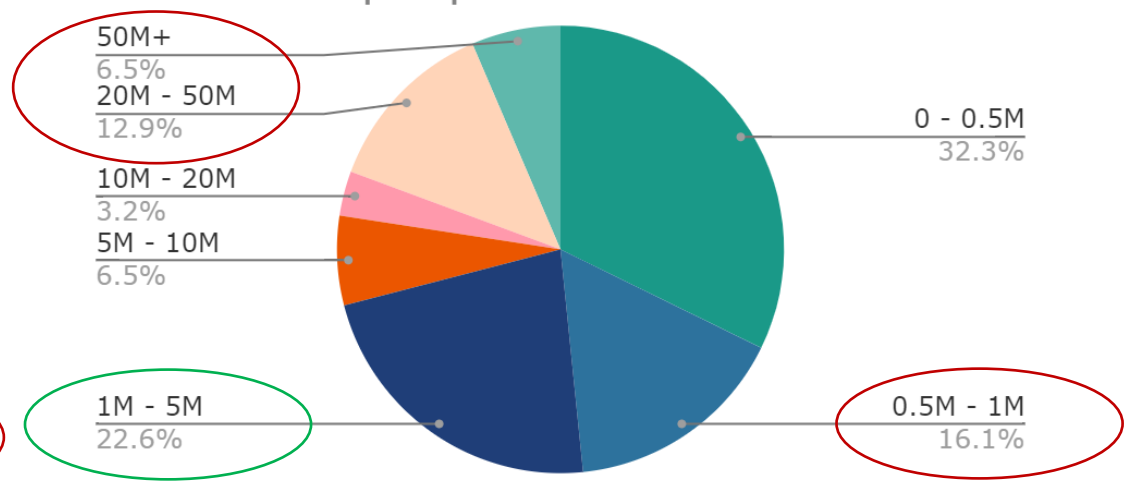
Raising an approximated average of EUR 9.6 m per platform across models in 2022. **Growth of 2.1% from 2021.**

Crowdfunding volumes per platform: All models by regions

Region	# of platforms	Avg. Volume per platform 2021	Avg. Volume per platform 2022	Change	Highlights
East	13	11.3 m	12.9 m	+14%	While no platform reported volumes in the range of 20m to 50m EUR in 2021, 1 platform reported reaching such volumes in 2022.
West	69	15.6 m	17.0 m	+8.9%	Share of platforms with more than 50m EUR increased their share from 8.7% in 2021 to 14.5% in 2022.
North	31	26.7 m	27.1 m	+1.4%	Share of platforms with more than 50m EUR increased their share from 19.4% in 2021 to 25.8% in 2022.
South	21	4.6 m	4.9 m	+6.5%	Share of platforms with volumes between 1m and 5m EUR increased their share from 9.5% in 2021 to 28.6% in 2022. Share of platforms with volumes between 10m and 20m EUR increased their share from 9.5% in 2021 to 19% in 2022.

Highlights: Volume per platform

- 17% approx. growth in total volume per platform between 2021 and 2022.

- Fastest growing volumes per platform in Eastern Europe (+14%).

- Fastest growing volumes per platform in Lending (+23%)

- Highest volume per platform in 2022 in Northern Europe EUR 27.1 million.

- Highest volume per platform in 2022 in Lending EUR 24.4 million.

Public knowledge about crowdfunding

Share of platforms agreeing that public knowledge is sufficient:
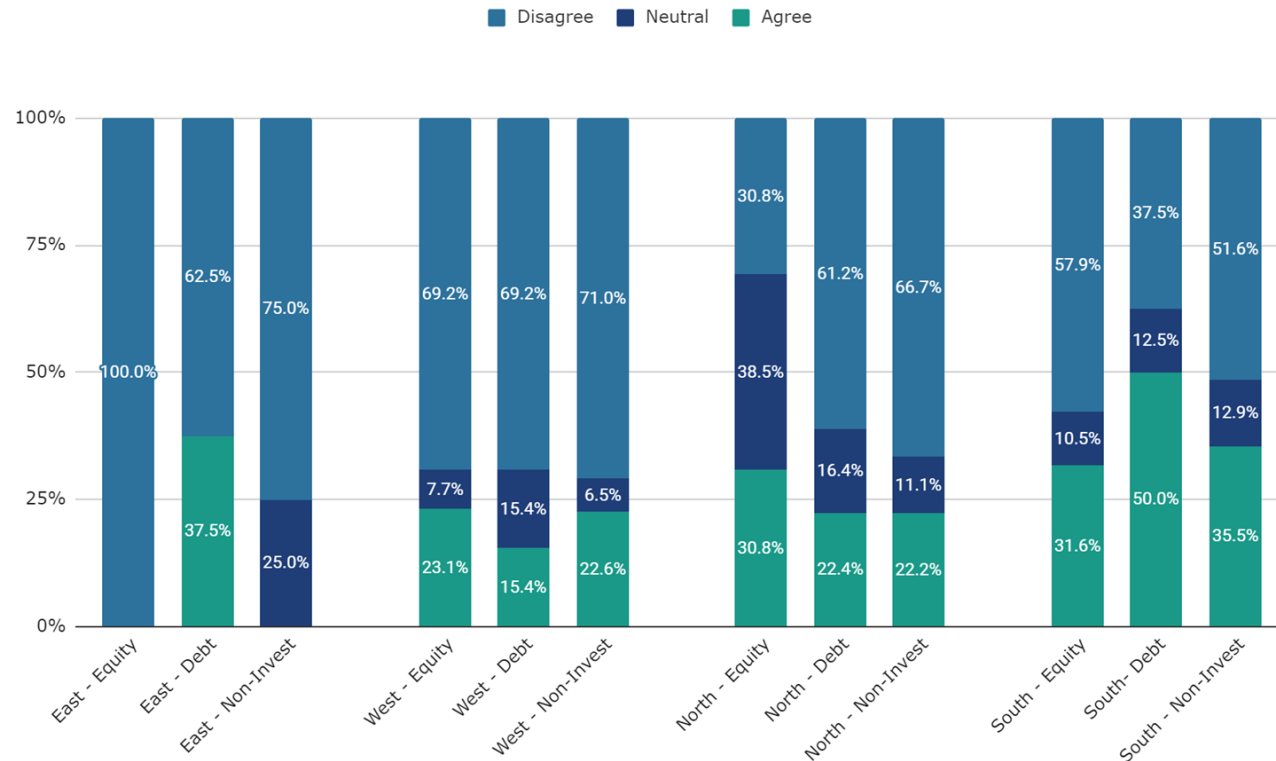
- 70% of equity platforms and 67% of lending platforms consider public knowledge bout crowdfunding as insufficient.

- Only a third of non-investment view knowledge as insufficient.

- Insufficient knowledge common across all regions: 69% East, 61% West, 57% South, and 51% North Europe.

Crowdfunding Market Readiness Index (CMRI)

Calculated based on relative ranks on following six market indicators (with equal weights) as of 2022:

Number of platforms per capita	Volumes per capita	Average number of backers on platforms in country
Average number of fundraisers on platforms in country	Share of licensed investment platforms	Share of platforms agreeing that public knowledge is sufficient

- Includes only countries with at least 3 platform responses.

Crowdfunding Market Readiness Index (CMRI)

Country	Rank based on number of platforms operating in country per capita	Rank based on 2022 volumes per capita	Rank based on average number of backers per platform per capita	Rank based on average of number of fundraisers per platform per capita	Rank based on share of Investment platforms with license	Rank based on perceived level of the public's knowledge of crowdfunding	CMRI Score	CMRI Rank
Netherlands	11	1	2	4	4	3	4.17	1
Norway	13	2	3	5	1	8	5.33	2
Denmark	15	4	1	2	4	11	6.17	3
United Kingdom	19	5	8	7	1	1	6.83	4
Austria	14	8	6	10	1	4	7.17	5
France	22	3	5	6	3	5	7.33	6
Czech Republic	17	6	9	8	7	2	8.17	7
Belgium	18	9	7	1	5	12	8.67	8
Germany	23	7	11	11	2	7	10.17	9
Romania	38	11	4	3	6	5	11.17	10
Spain	26	10	12	9	1	9	11.17	11
Italy	32	13	10	12	5	6	13.00	12
Poland	36	12	13	13	7	10	15.17	13

Platforms

Platform volumes and firm age
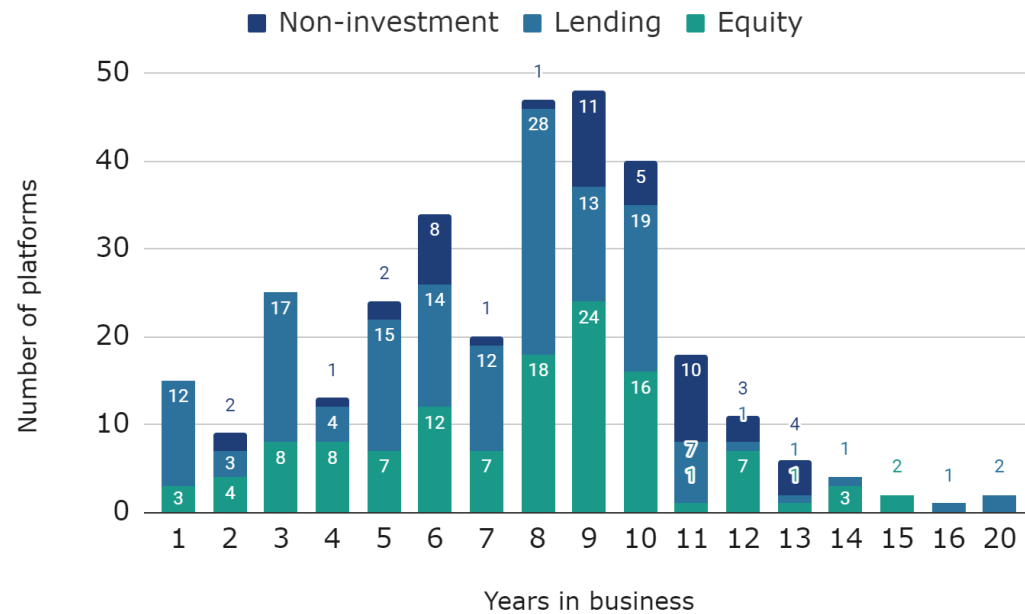
Gradual maturation. Platform formation peaked 8-9 years ago. Gradually declining numbers of new entrants in the years that followed.
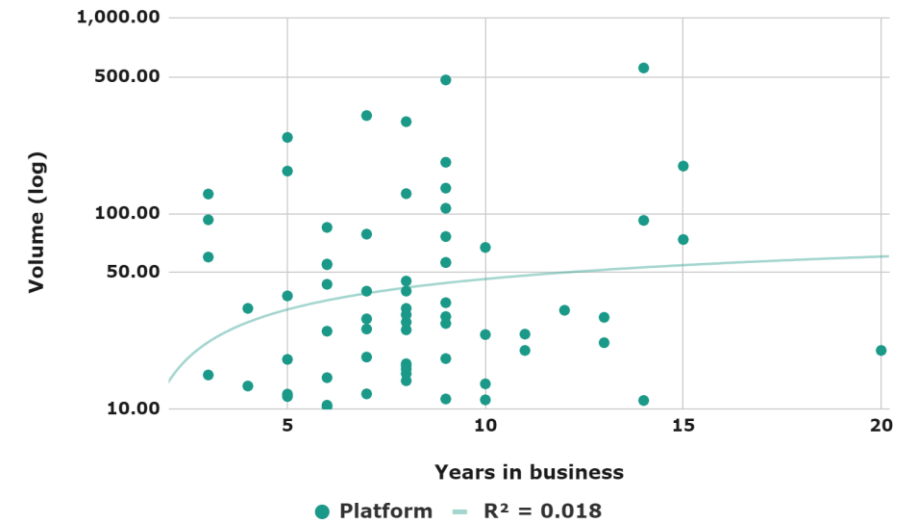
Weak association between firm age and volumes. Indicating no early move advantages.

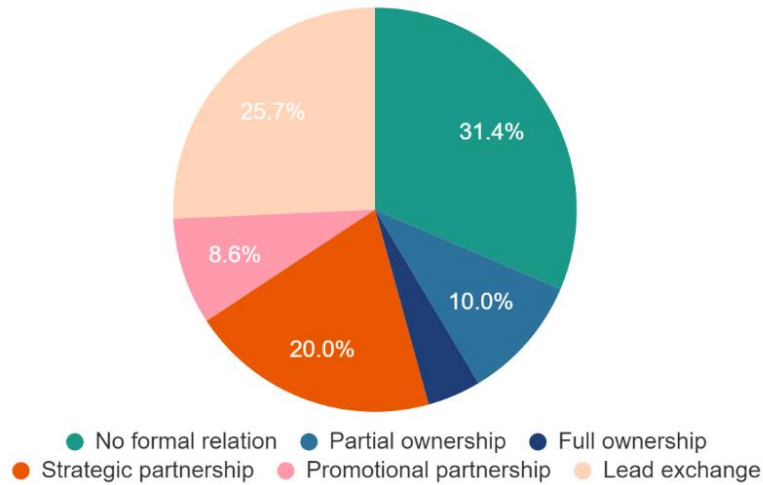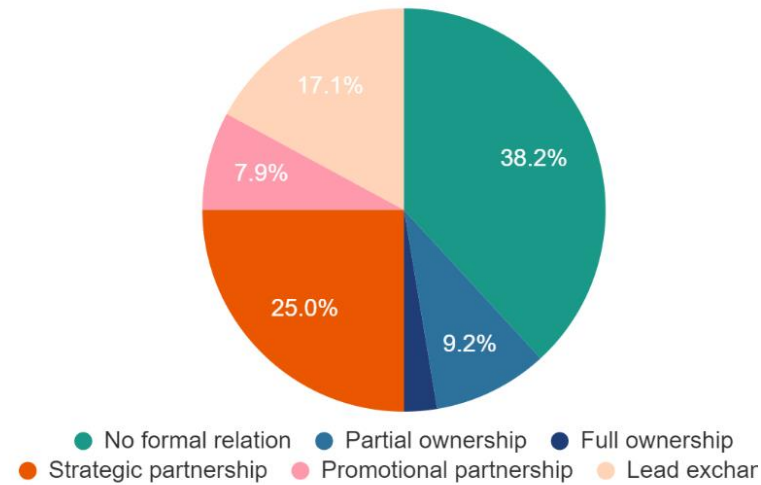# International scale of platform operations (foreign vs domestic backers)
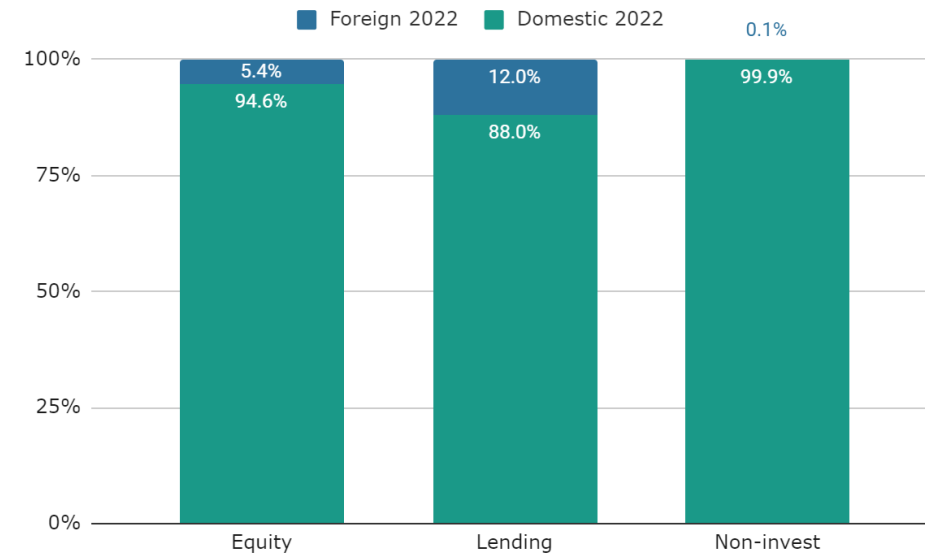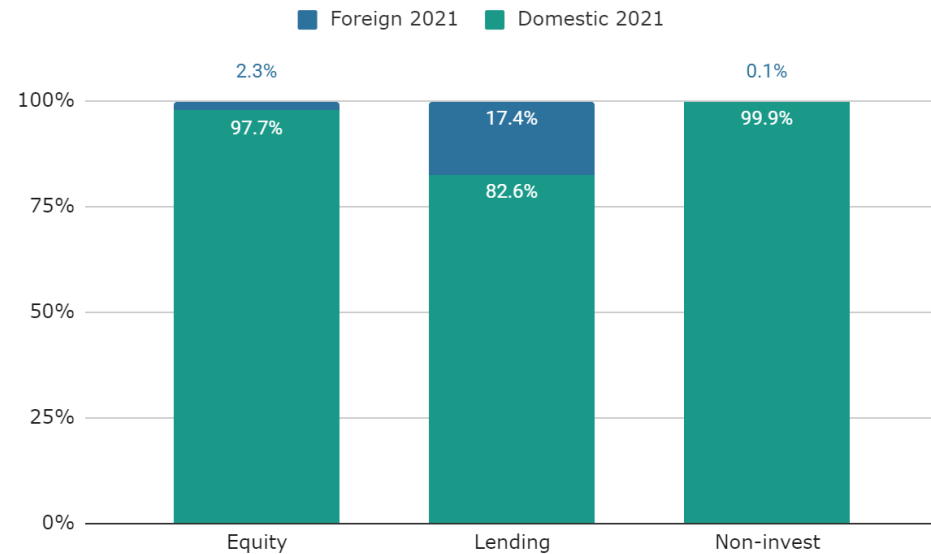
- Highest proportions of volumes from foreign backers evident in Lending representing 17.4% of volumes in 2021 and 12% of volumes in 2022.
- Lowest proportions in non-investment representing just 0.1% of volumes in both 2021 and 2022.

International scale of platform operations by region (foreign vs domestic backers)

Foreign 2021 ■ **Domestic 2021** ■

	East	West	North	South
Foreign 2021	6.2%	2.1%	32.6%	
Domestic 2021	93.8%	97.9%	67.4%	100.0%

Foreign 2022 ■ **Domestic 2022** ■

	East	West	North	South
Foreign 2022	18.1%	2.6%	24.9%	0.5%
Domestic 2022	81.9%	97.4%	75.1%	99.5%
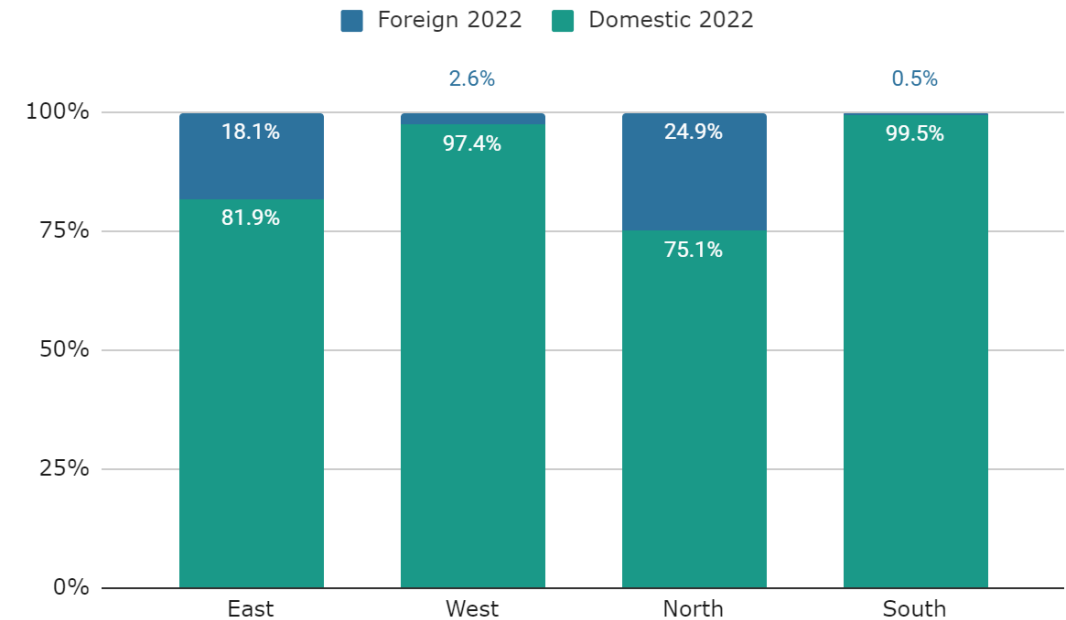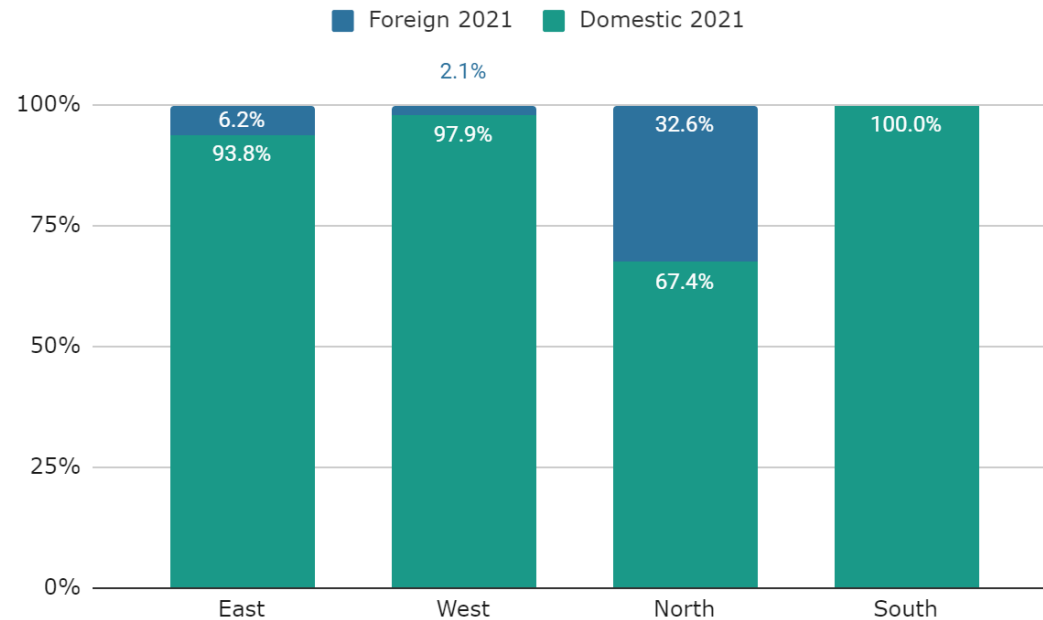
- Highest proportions of volumes from foreign backers evident in Northern Europe representing 32.6% of volumes in 2021 and 24.9% of volumes in 2022.
- Lowest proportions in Western Europe representing 2.1% of volumes in 2021 and 2.6% of volumes in 2022.

Collaborations between European Crowdfunding Platforms and Traditional Financial Institutions 2022

Equity

- No formal relation
- Partial ownership
- Full ownership
- Strategic partnership
- Promotional partnership
- Lead exchange

31.4%, 10.0%, 20.0%, 8.6%, 25.7%

Lending

- No formal relation
- Partial ownership
- Full ownership
- Strategic partnership
- Promotional partnership
- Lead exchar

38.2%, 9.2%, 25.0%, 7.9%, 17.1%

Non-investment

- No formal relation
- Full ownership
- Strategic partnership
- Promotional partnership
- Lead exchange

54.3%, 11.4%, 14.3%, 17.1%
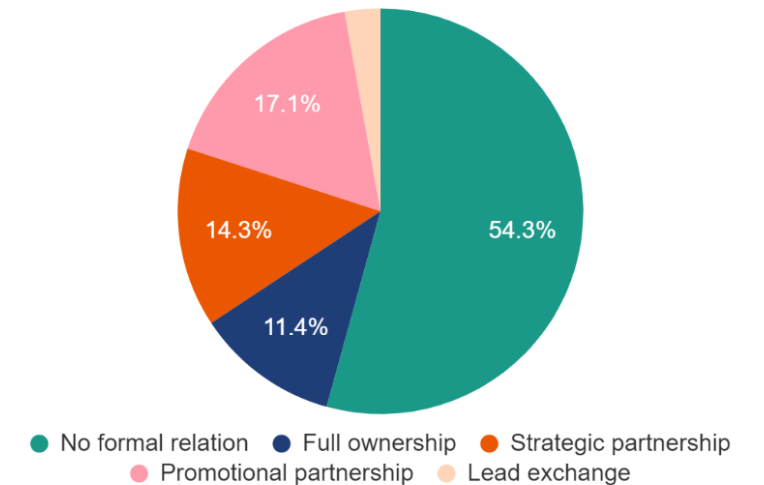
- 2/3 of investment platforms have some form of collaboration with traditional finance.
- around 10% of such platforms owned by traditional finance players.

Model combinations
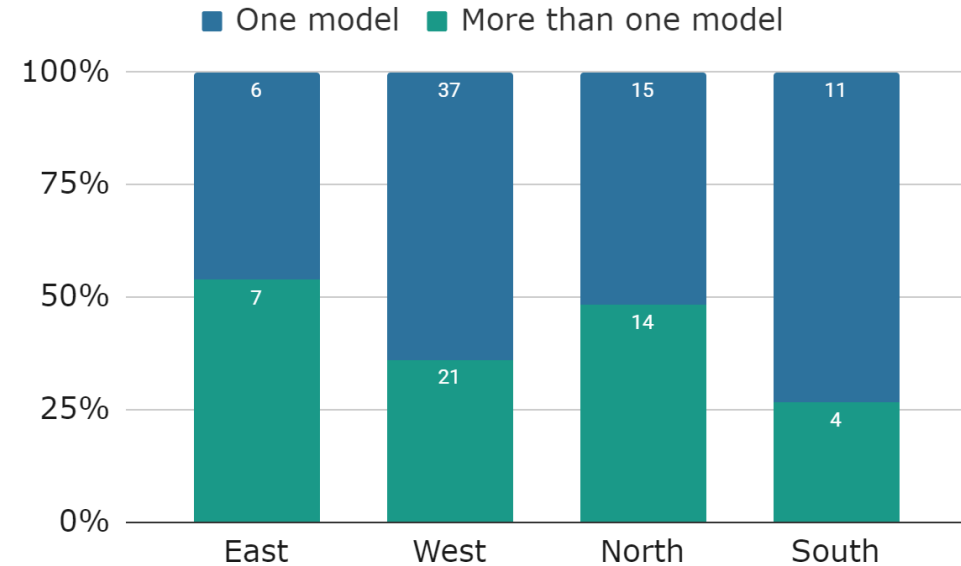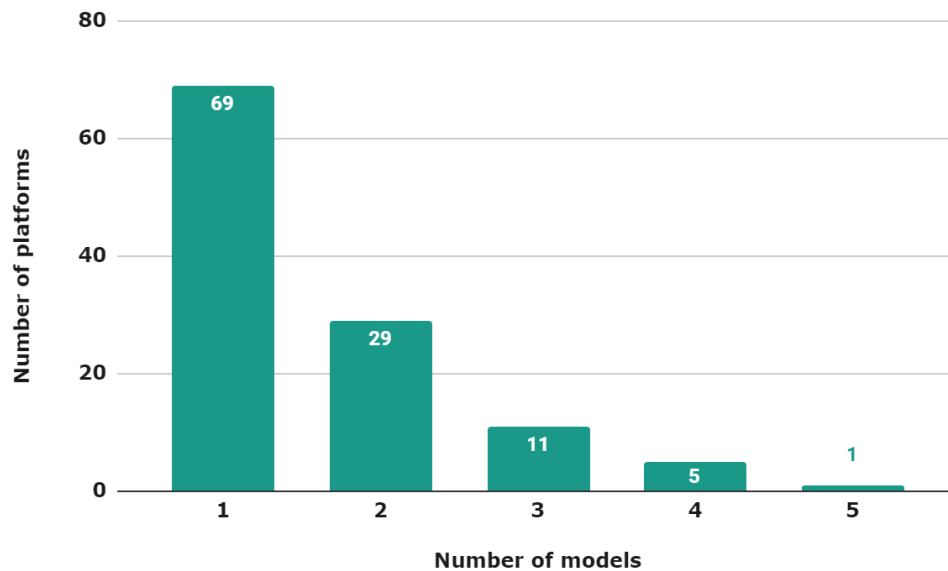
- 60% of platforms offer only one model. 40% offer two or more.
- 73% of South European and 64% of Western European platforms offer a single model.
- Region with highest share of platforms offering more than one model is Eastern Europe (54%).

Most popular model combinations

1 Equity

2 Lending

3 Non-investment
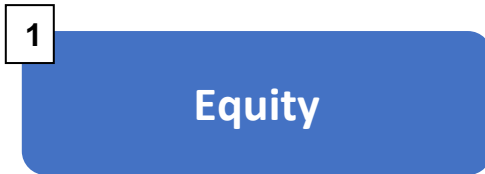
- Revenue sharing with Equity crowdfunding
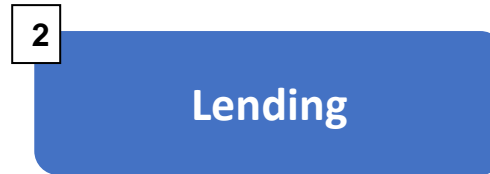
- P2P Business with P2P Property Lending
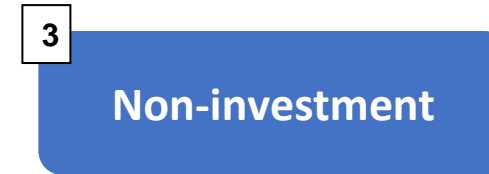
- Subscription with Donation crowdfunding.

Across models

- Fractional ownership of real estate with P2P Business Lending.

- Security tokens with P2P Business Lending.

Average interest and default rates in European crowdlending platforms 2022

Legend: ■ Average interest rate ■ Average default rate

Data shown:
- P2P lending for consumers: 11.11 / 1.50
- P2P lending for business: 7.41 / 3.63
- P2P lending for property development: 8.16 / 3.23
- Mini-bonds: 7.76 / 0.80
- Microfinance and P2P Prosocial lending: 4.00 / 4.00
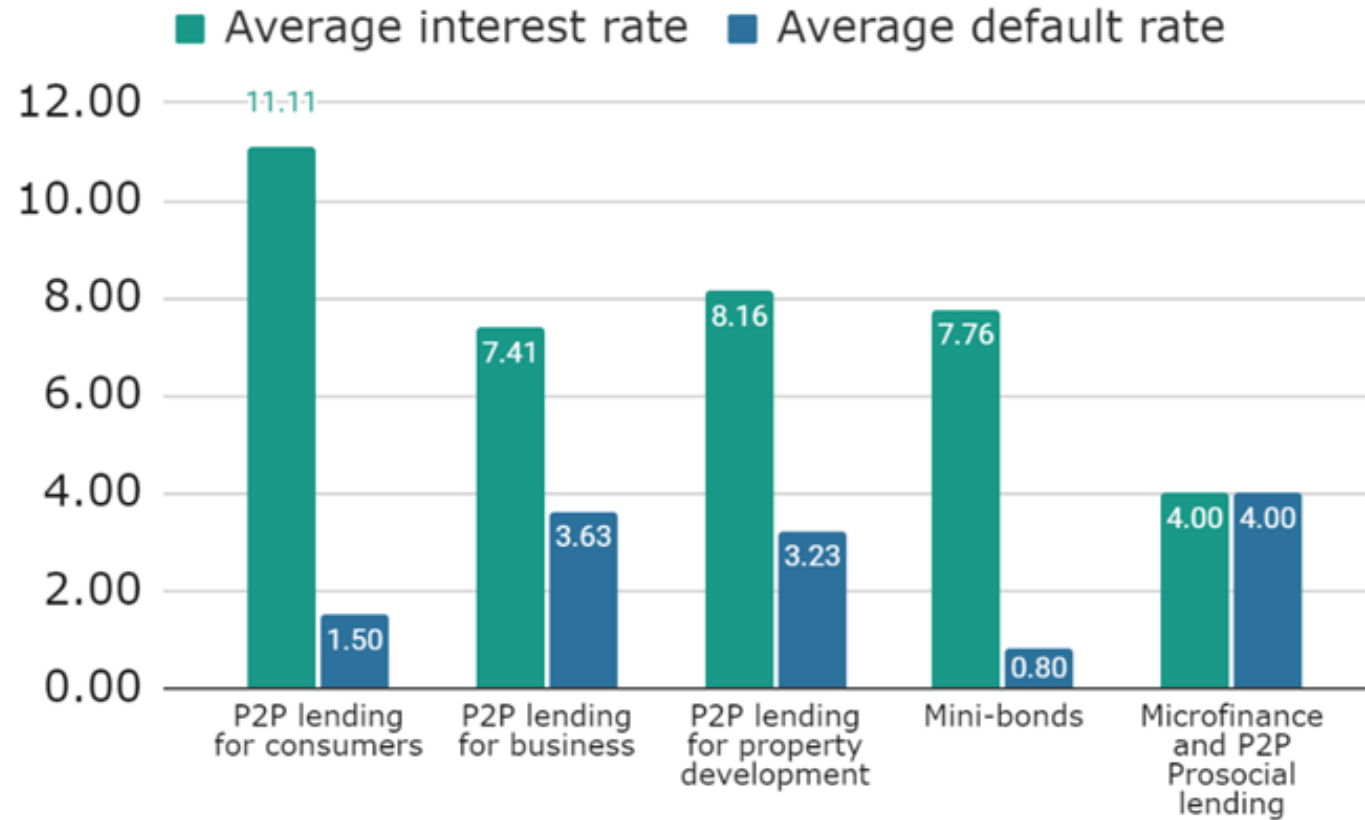
Licensing

Platform licensing status and type

Equity

Lending

Non-investment

- Most investment platforms are licensed. Only18.9% of Equity and 31.3% of Lending remain unlicensed.
- The leading license type in equity is a bespoke national license (24.5%).
- The leading license type in lending is a traditional financial institution license (25%).

Share of platforms viewing current regulation as adequate by license

License Types		Fully Disagree	Disagree	Somewhat Disagree	Neutral	Somewhat Agree	Agree	Fully Agree
Unlicensed	1	4%	8%	17%	13%	21%	29%	8%
Licensed - type unknown	2		17%	17%	22%	11%	22%	11%
National license from a non-financial authority/Non-financial model license	3	8%		8%	15%	23%	**46%**	
Bespoke national crowdfunding license	4		5%	21%	21%	32%	21%	
National traditional financial institution license	5	6%	24%	18%	6%		**47%**	
Grand Total		3%	11%	16%	15%	18%	32%	4%

- Across different license types platforms deem current regulation as adequate.
- Greatest dissatisfaction in case of national traditional financial institution license

# Attitudes towards ECSP amendment suggestions
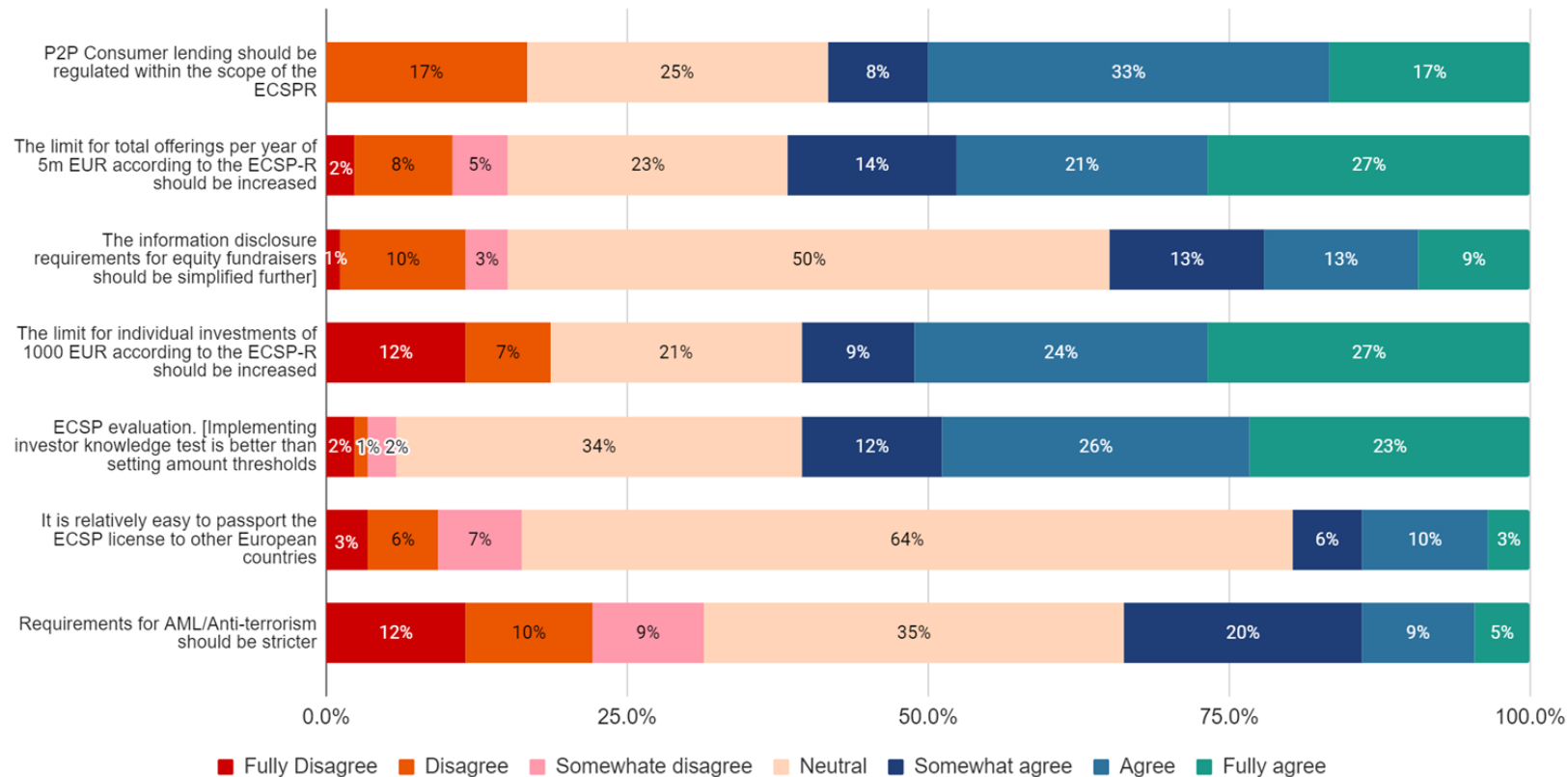
- 58% agree with need to include consumer lending.

- 62% agree with need to increase limit from 5m EUR.

- 60% agree with need to increase individual investment from 1000 EUR threshold.

- 61% agree that implementing investor knowledge test is preferred to setting fixed amount thresholds.

Differences between licensed and unlicensed platforms 2022

| Model	Avg. Volume per platform Licensed	Avg. Volume per platform Unlicensed	Difference
Equity	51 m EUR	7.4 m EUR	Licensed platforms oversaw 589% higher volumes
Lending	32.5 m EUR	24 m EUR	Licensed platforms oversaw 35% higher volumes. Note: consumer lending regulation remains unclear.

Fundraisers

Fundraisers' age 2022
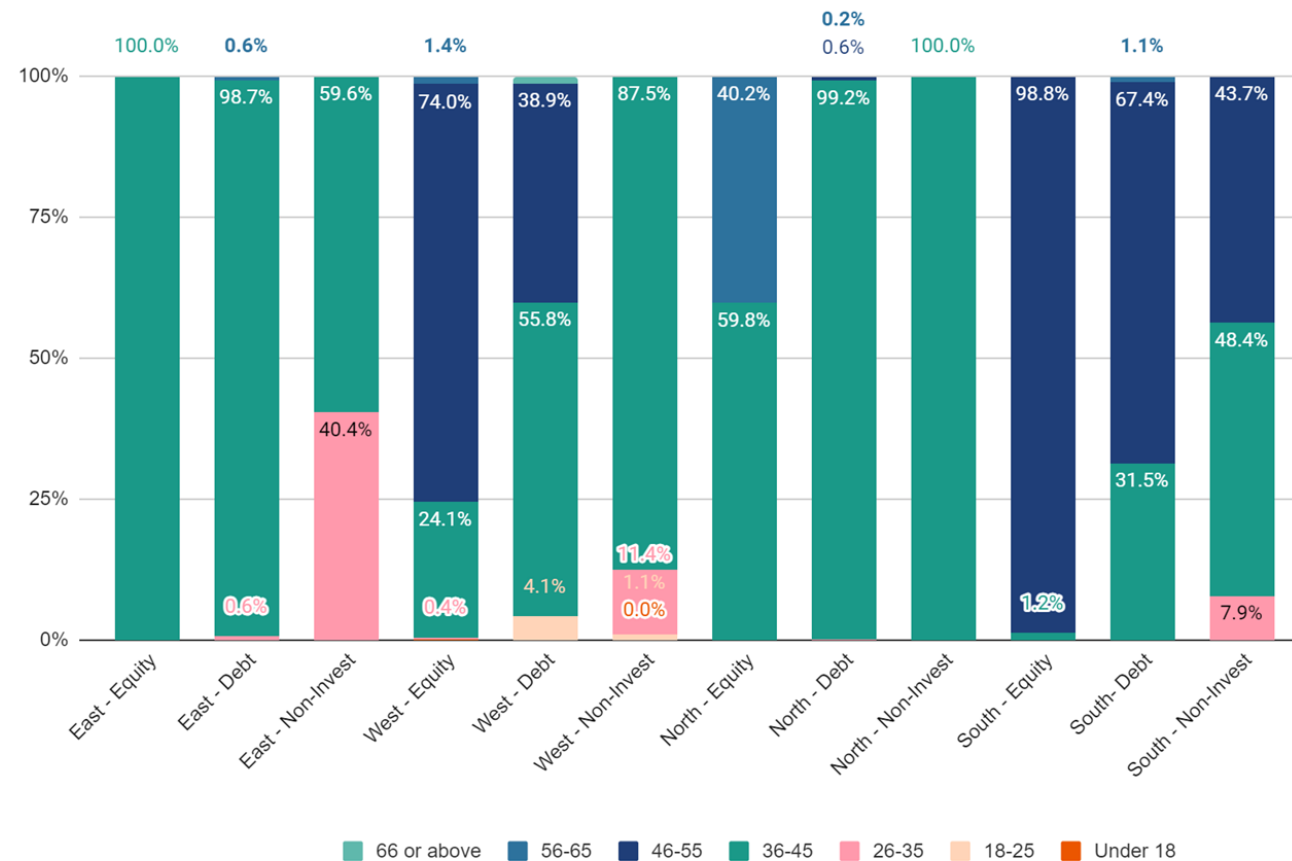
- Younger people are more likely to engage in fundraising employing non-investment and lending platforms.

- More mature fundraisers are a majority in equity. 98% in Southern Europe and 74% in Western Europe are aged 46-55, and 40% of fundraisers in Northern Europe are aged 56-65.

Fundraisers' sex 2022

Legend: Female, Male

Category	Male	Female
East - Equity	79.9%	20.1%
East - Debt	64.6%	35.4%
East - Non-Invest	60.0%	40.0%
West - Equity	68.1%	31.9%
West - Debt	81.9%	18.1%
West - Non-Invest	50.2%	49.8%
North - Equity	80.9%	19.1%
North - Debt	65.3%	34.7%
North - Non-Invest	49.9%	50.1%
South - Equity	96.5%	3.5%
South - Debt	79.7%	20.3%
South - Non-Invest	48.7%	51.3%

- Men represent the majority of fundraisers in most models and regions.

- Significant sex imbalances in investment models.

- Largest share of female equity fundraisers in Western Europe (32%) and lowest in Southern Europe (3.5%).

- Largest share of female borrowers in Eastern Europe (35%) and lowest in Western Europe (18%).

- Largest share of female non-investment fundraisers in Southern, Northern, and Western Europe capturing close to 50%.

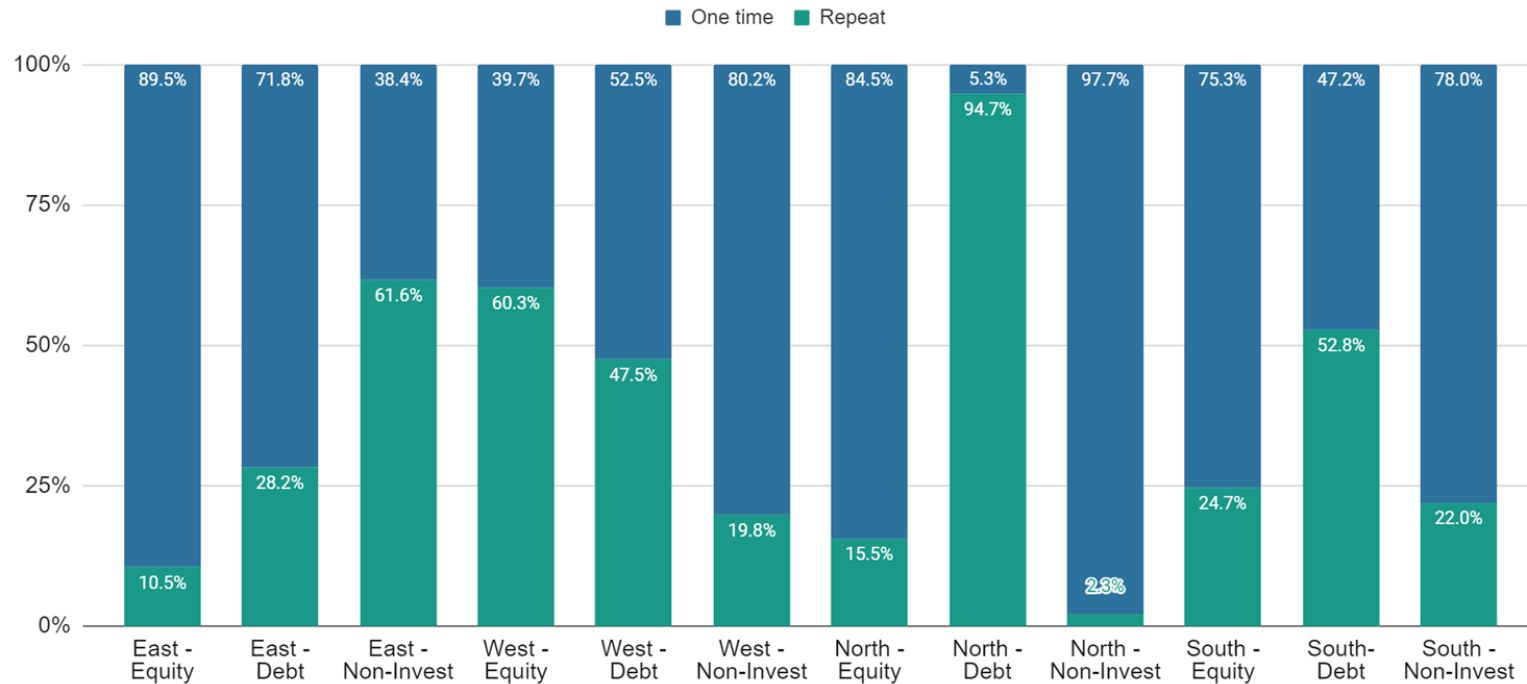# Share of female fundraisers and volumes
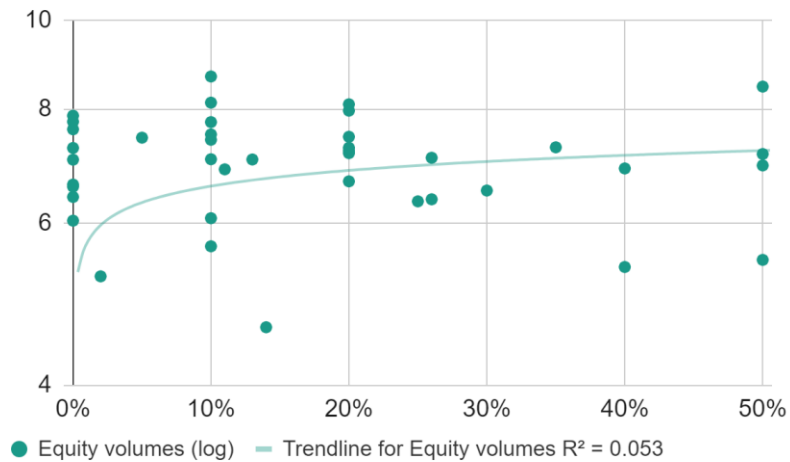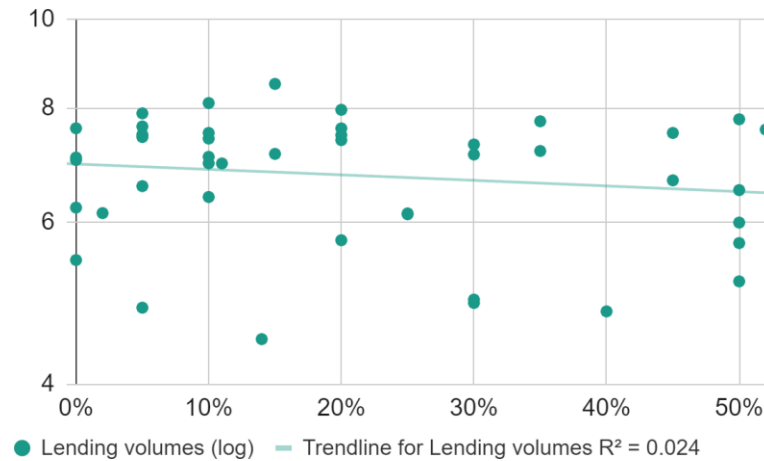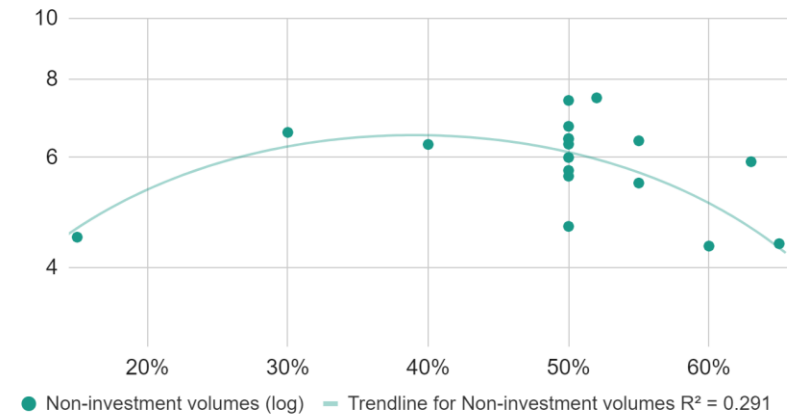
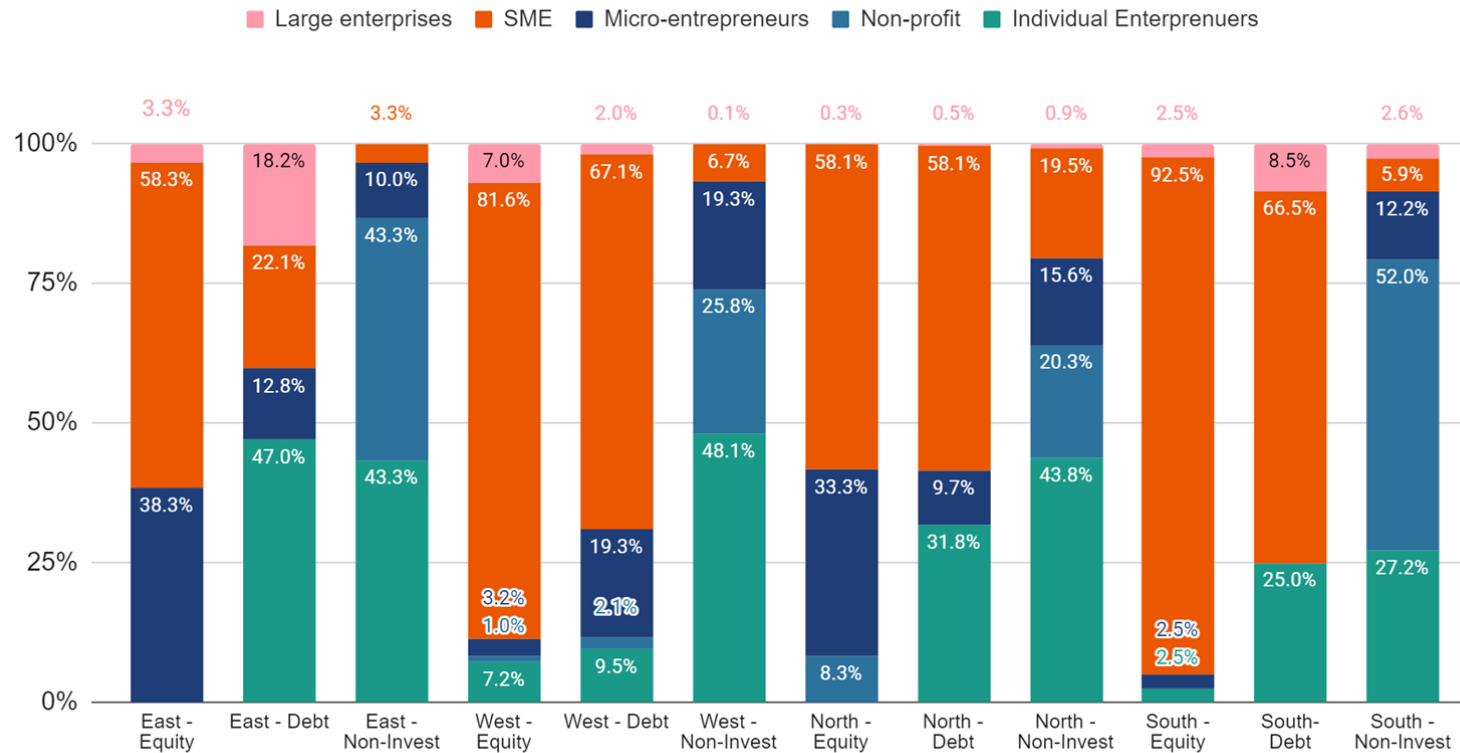**Equity**

Lending

Non-investment

- In equity the higher the share of female fundraisers the higher the volumes raised on platform.
- In lending the higher the share of female borrowers the lower the volumes raised on platform.
- In non-investment volumes increase up to 40% share of female fundraisers and then decline with higher shares.

Repeat vs. one-time fundraisers 2022

Legend: One time (blue), Repeat (teal)

Category	One time	Repeat
East - Equity	89.5%	10.5%
East - Debt	71.8%	28.2%
East - Non-Invest	38.4%	61.6%
West - Equity	39.7%	60.3%
West - Debt	52.5%	47.5%
West - Non-Invest	80.2%	19.8%
North - Equity	84.5%	15.5%
North - Debt	5.3%	94.7%
North - Non-Invest	97.7%	2.3%
South - Equity	75.3%	24.7%
South - Debt	47.2%	52.8%
South - Non-Invest	78.0%	22.0%

- Most fundraisers on equity and non-investment platforms are one-time fundraisers, while lending platforms attract more repeat ones.

- Share of repeat borrowers especially high in Northern Europe (94.7%) and lowest in Eastern Europe (28.2%).

- Highest share of repeat fundraisers in equity in Western Europe (60.3%) and lowest in Eastern Europe (10.5%).

- Highest share of repeat fundraisers in non-investment models in Eastern Europe (61.6%) and lowest in Northern Europe (2.3%).

Fundraisers by type 2022

Chart legend: Large enterprises, SME, Micro-entrepreneurs, Non-profit, Individual Enterprenuers

- Across regions, SME fundraisers dominate equity models, with highest shares in Southern Europe (92.5%) and lowest in Northern Europe (58.1%).

- SMEs also dominate lending models across regions with highest shares in Western Europe (67.1%) and lowest in Eastern Europe (22.1%).

- Non-investment platforms record high shares of non-profit organizations among their fundraisers with highest shares in Southern Europe (52%) and lowest in Northern Europe (20.3%).

Share of SME fundraisers and volumes
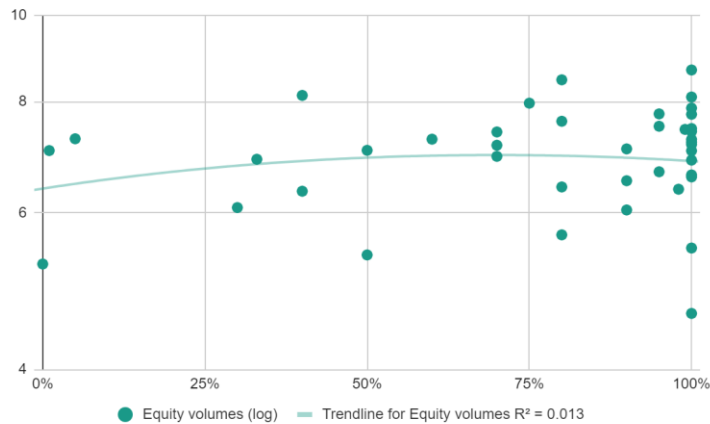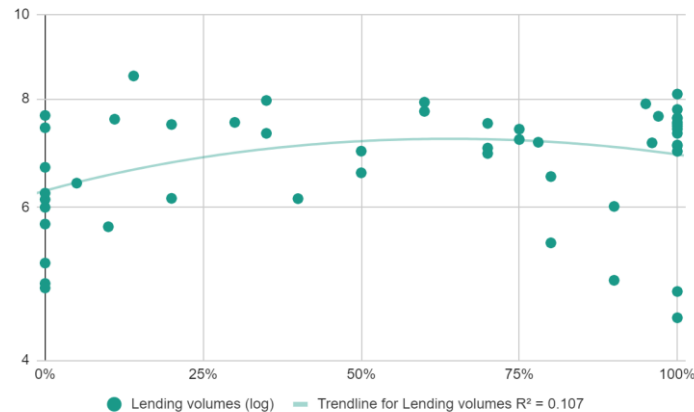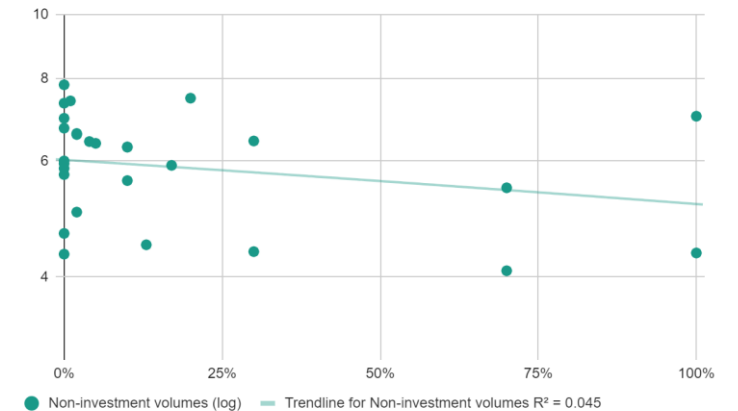
Equity

Lending

Non-investment

- In equity weak relation.
- In lending volumes increase up to 65% share of SMEs, and then decline when higher.
- In non-investment platforms volumes decrease the higher the share of SMEs.
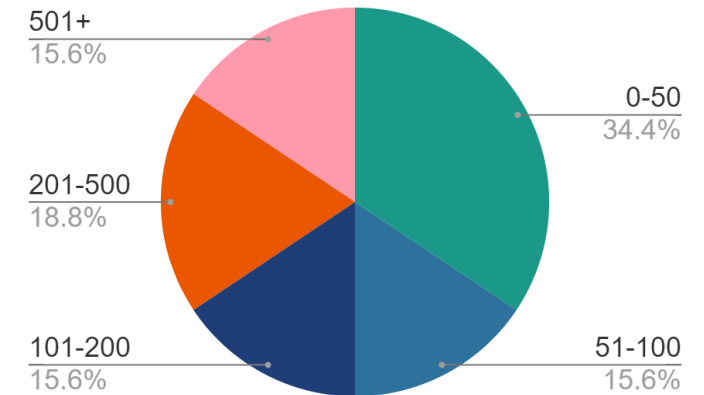
# Average number of fundraisers on platform by model 2022

Equity

- 501+ 6.4%
- 201-500 2.6%
- 101-200 6.4%
- 51-100 5.1%
- 0-50 79.5%

Lending

- 501+ 13.7%
- 201-500 11.0%
- 101-200 5.5%
- 51-100 6.8%
- 0-50 63.0%

Non-investment

- 501+ 15.6%
- 201-500 18.8%
- 101-200 15.6%
- 51-100 15.6%
- 0-50 34.4%
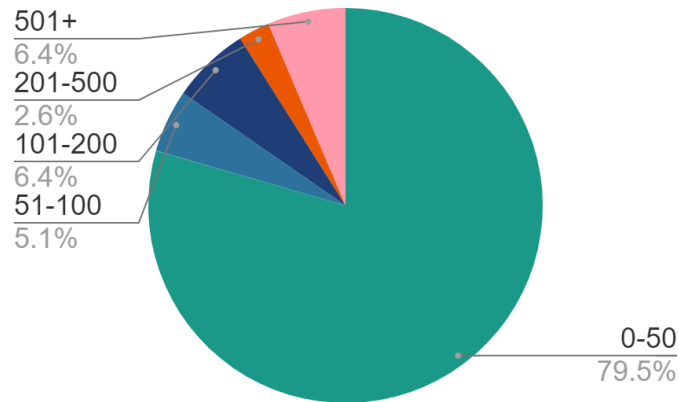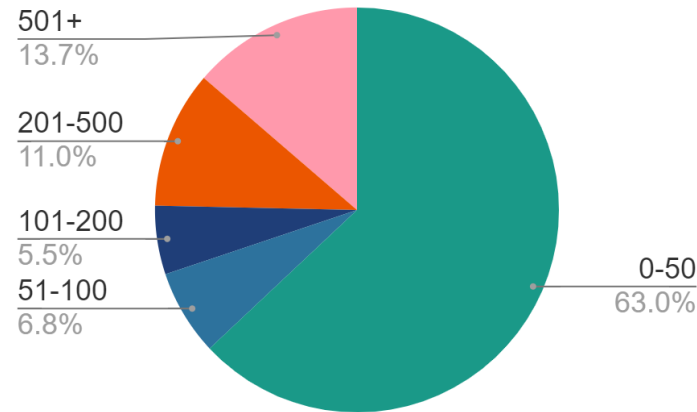
- Across models, 48.7% of platforms had less than 51 fundraisers in 2022.
- Across models, 16.5% of platforms oversaw more than 500 fundraisers in 2022.
- Highest numbers of fundraisers recorded on non-investment platforms, where each involves a substantially lower average sum when compared to investment fundraisers.
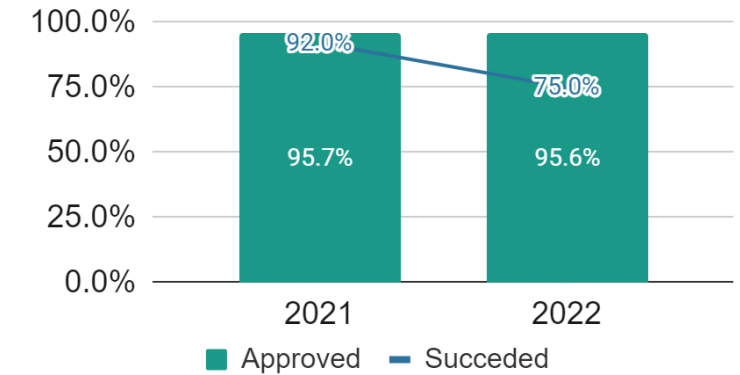
40

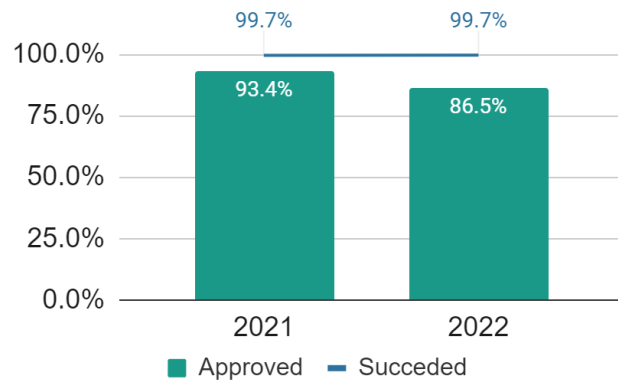# Onboarding and success by model
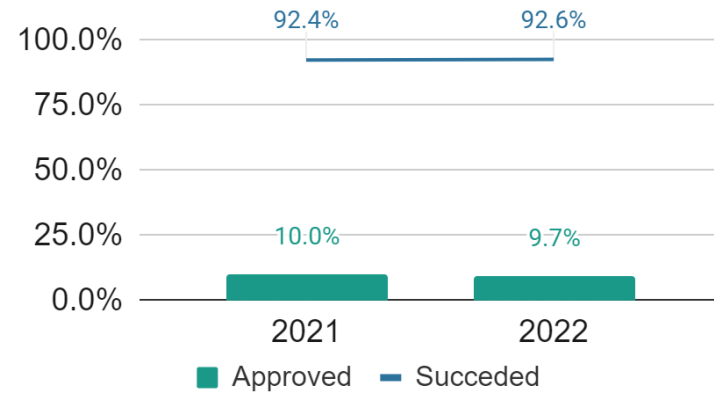
Equity
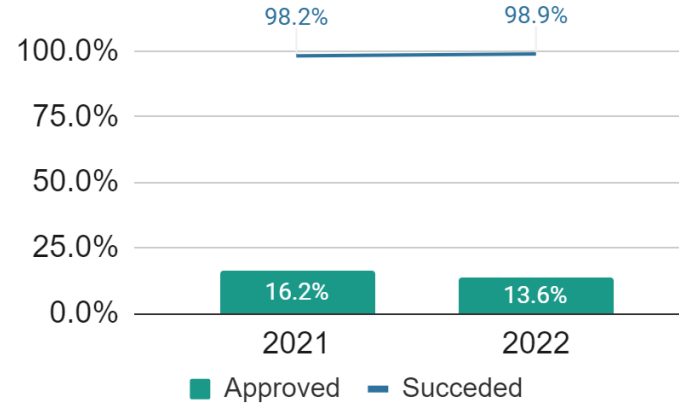
Lending

Non-investment

- Despite more strict onboarding and filtration in investment models standing at around 10% in equity and roughly 15% in lending. Success rates remain high across models.

- Non-investment influenced by outliers hence also examined regionally.
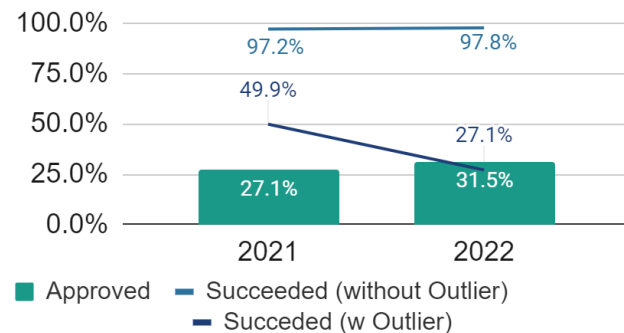
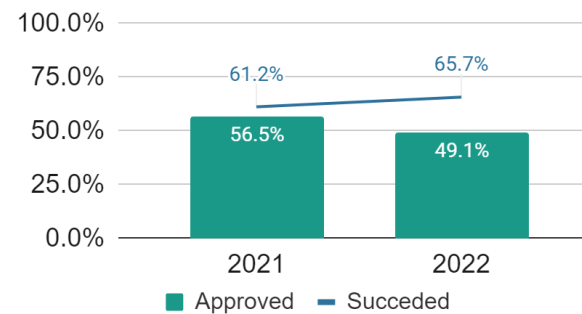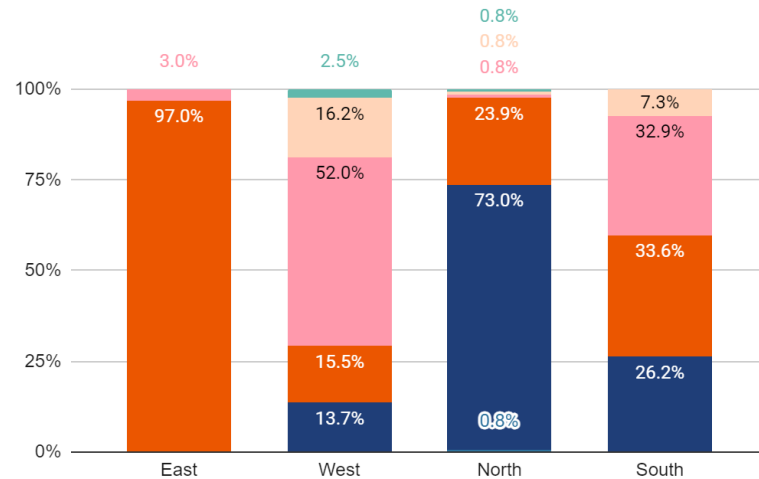# Average number of fundraisers on platform by region 2022

East
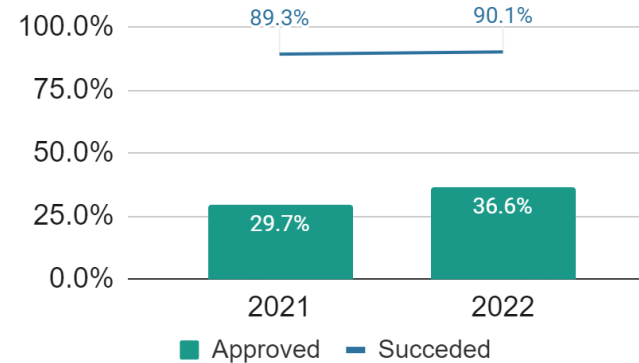
West

North

South

- Highest onboarding rates in Eastern Europe. Lowest in Northern and Western Europe.

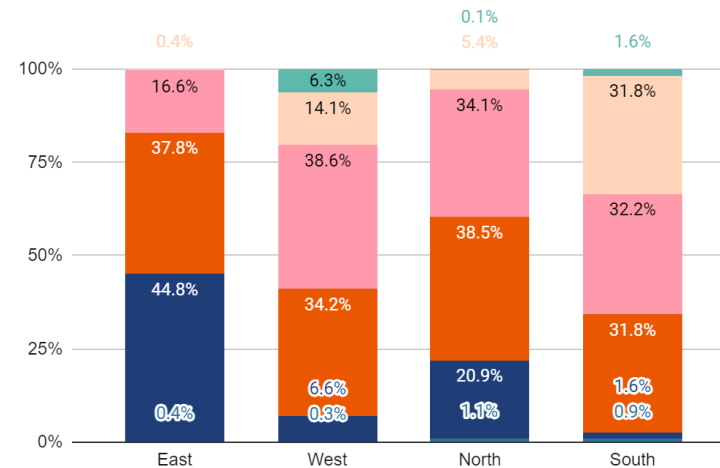- Success rates highest in Eastern and Northern Europe and lowest in Southern Europe.
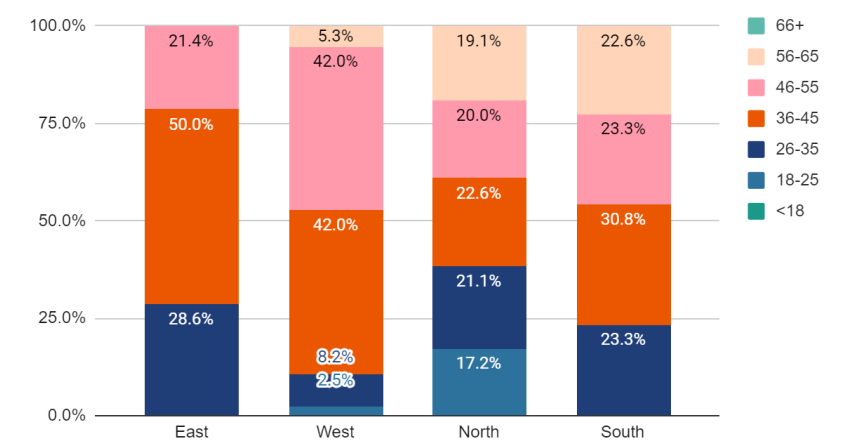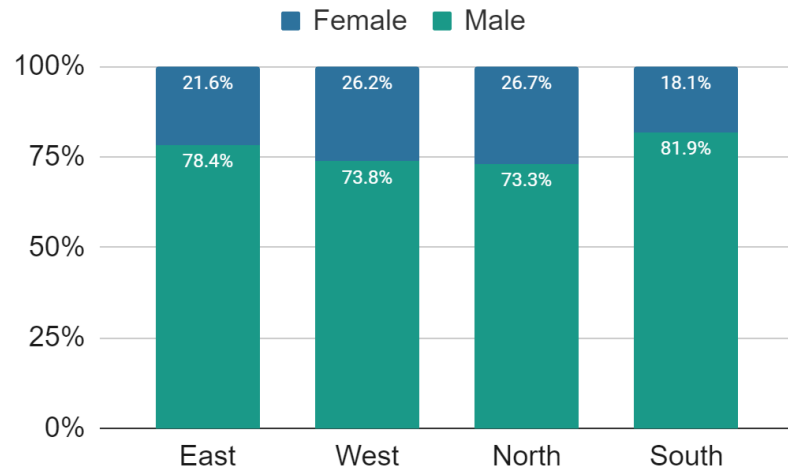
Backers

Backers by age

Equity 2022 — stacked bar chart by region (East, West, North, South):

	East	West	North	South
66+		2.5%	0.8%	
56-65			0.8%	7.3%
46-55	3.0%	16.2%	0.8%	32.9%
36-45	97.0%	52.0%	23.9%	33.6%
26-35		15.5%	73.0%	26.2%
18-25		13.7%	0.8%	

Lending 2022 — stacked bar chart by region:

	East	West	North	South
66+		6.3%	0.1%	1.6%
56-65	0.4%	14.1%	5.4%	31.8%
46-55	16.6%	38.6%	34.1%	32.2%
36-45	37.8%	34.2%	38.5%	31.8%
26-35	44.8%	6.6%	20.9%	1.6%
18-25	0.4%	0.3%	1.1%	0.9%

Non-investment 2022 — stacked bar chart by region:

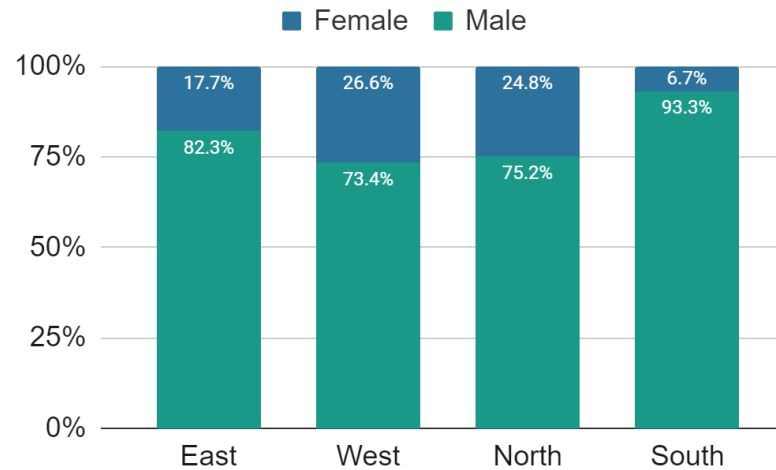|	East	West	North	South
56-65	21.4%	5.3%	19.1%	22.6%
46-55	50.0%	42.0%	20.0%	23.3%
36-45	28.6%	42.0%	22.6%	30.8%
26-35		8.2%	21.1%	23.3%
18-25		2.5%	17.2%	

Legend: 66+, 56-65, 46-55, 36-45, 26-35, 18-25, <18

- While most equity investors in Western Europe are aged 46 and higher (63%), most investors in Eastern Europe are aged 36-45 (97%), while the youngest investors are in Northern Europe aged 26-35 (73%).

- The age group of 36-45 captures a similar share of lenders regardless of region, ranging between 32% in Southern Europe and 38% in Northern Europe.

- Backers aged 46 and above represent the largest share of backers of non-investment campaigns in most regions, with exception of Eastern Europe where the largest share of backers are aged 36-45 (50%).
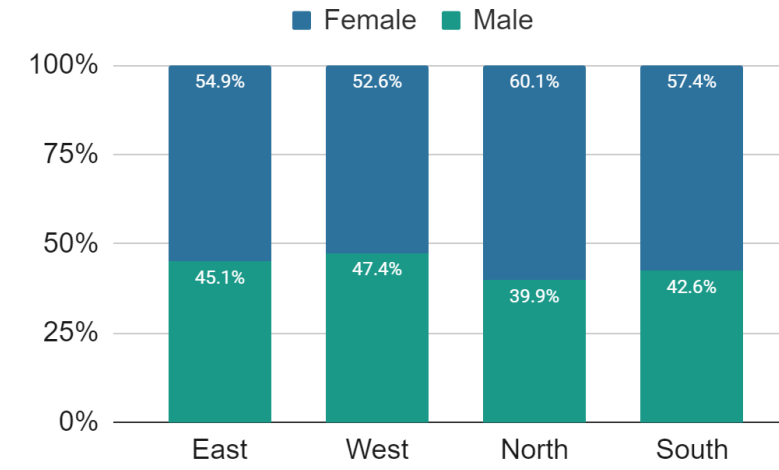
44

Backers by sex

Equity

	East	West	North	South
Female	21.6%	26.2%	26.7%	18.1%
Male	78.4%	73.8%	73.3%	81.9%

Lending

	East	West	North	South
Female	17.7%	26.6%	24.8%	6.7%
Male	82.3%	73.4%	75.2%	93.3%

Non-investment

	East	West	North	South
Female	54.9%	52.6%	60.1%	57.4%
Male	45.1%	47.4%	39.9%	42.6%

• While women dominate non-investment backers across regions, they remain a minority among investors in equity and lending platforms.

• Share of women investors in equity ranges between 18% and 27%, and in lending between 7% and 27%.

• Highest share of women equity investors in Northern Europe and highest share of women lenders is in Western Europe, both standing at 27%.
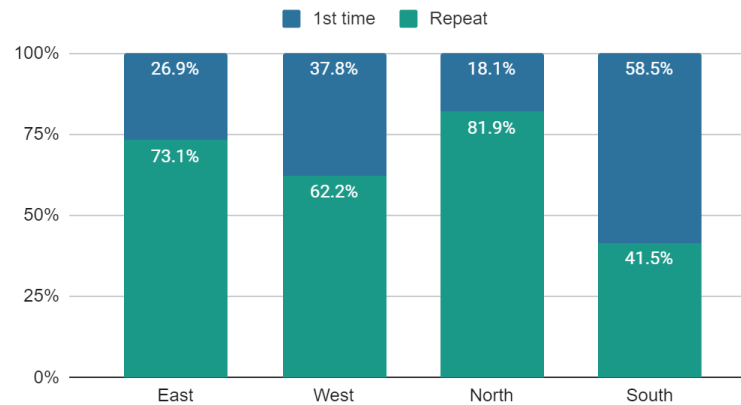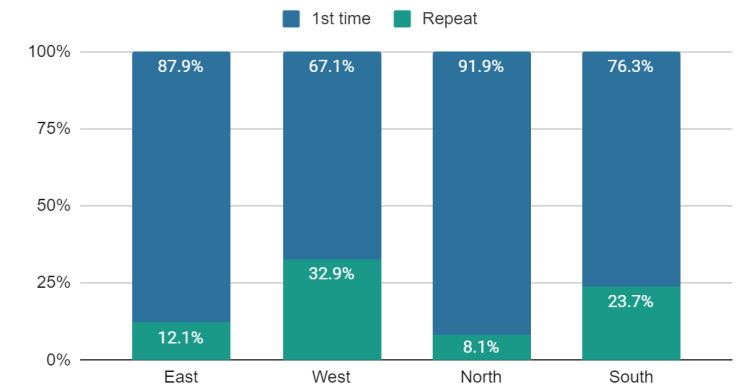
Repeat vs. one-time backers
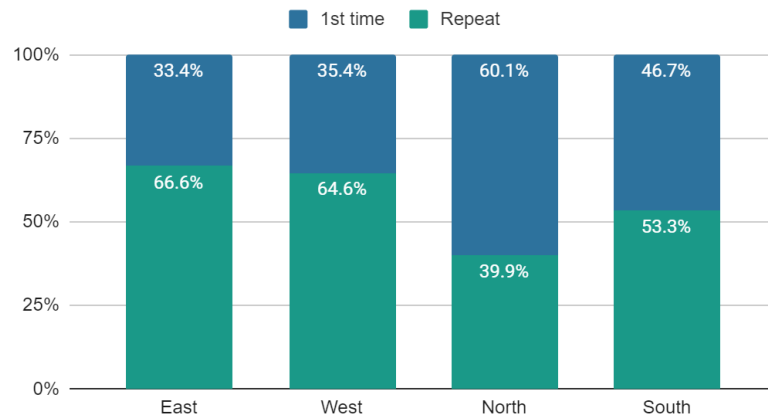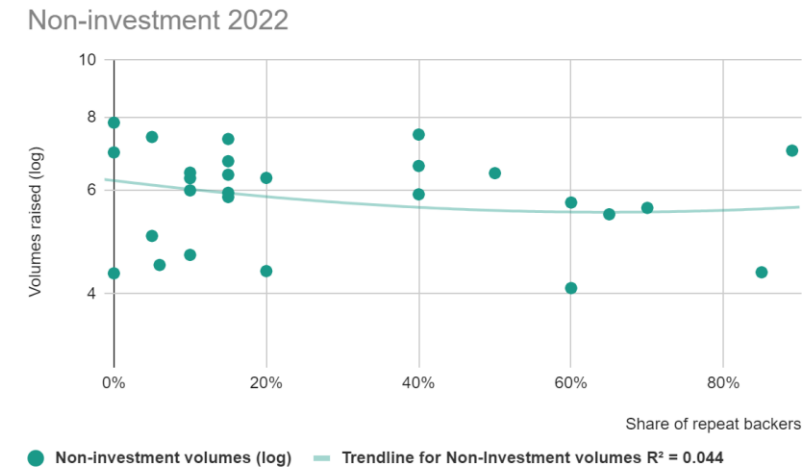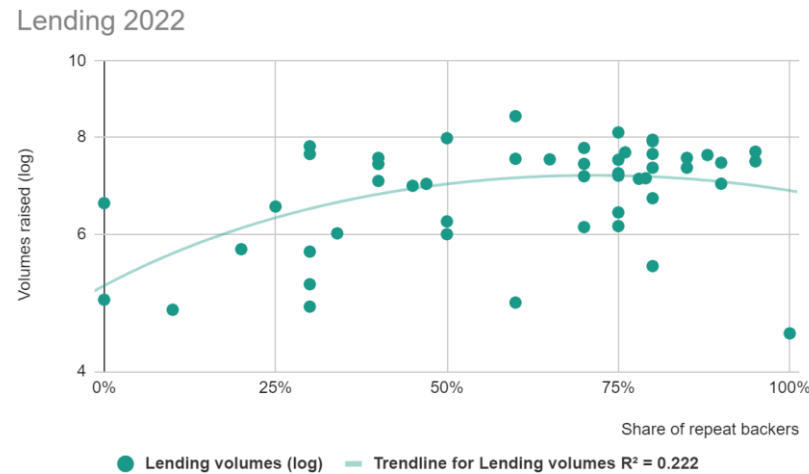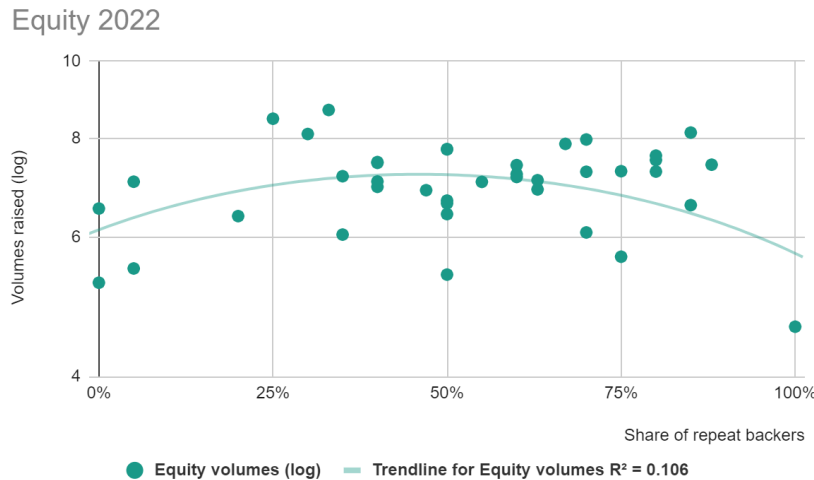

Equity 2022 — Equity

Lending 2022 — Lending

Non-investment 2022 — Non-investment

- Across regions, most backers on investment platforms were repeat investors representing 61% of equity investors and 67% of lenders. However, in non-investment platforms only 21% of backers were repeat.

- In equity highest share of repeat investors are in Eastern (67%) and Western Europe (65%).

- In lending highest share of repeat investors in Northern (82%) and Eastern Europe (73%).

Share of repeat backers and volumes

Equity 2022

- Equity volumes (log) — Trendline for Equity volumes R² = 0.106

Lending 2022

- Lending volumes (log) — Trendline for Lending volumes R² = 0.222

Non-investment 2022

- Non-investment volumes (log) — Trendline for Non-Investment volumes R² = 0.044
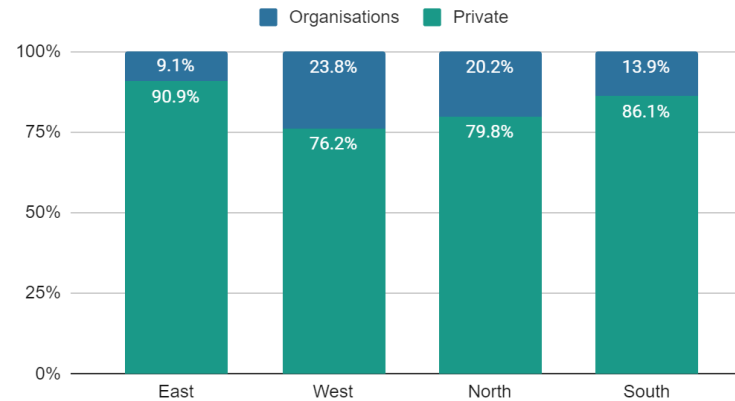
- In equity the higher the share of repeat investors the higher the volumes raised on platform until reaching 50%, after which volumes begin to decline.
- In lending the higher the share of repeat lenders the higher the volumes raised on platform until reaching 75%, after which volumes begin to decline.
- In non-investment volumes decrease up to 65% share of repeat fundraisers and then increase with higher shares.
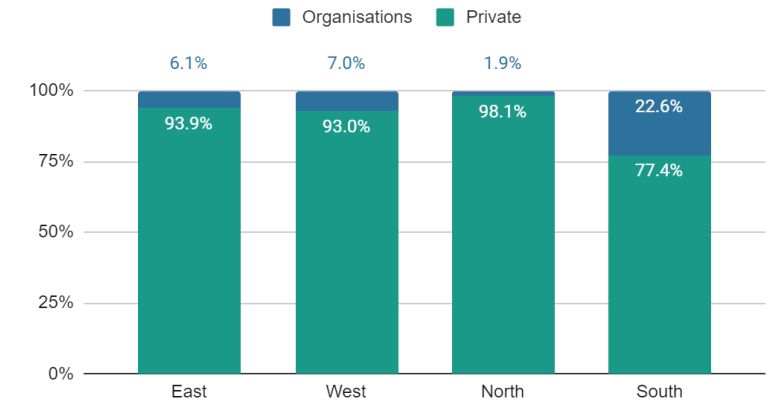
Organizational vs. individual backers

Equity 2022
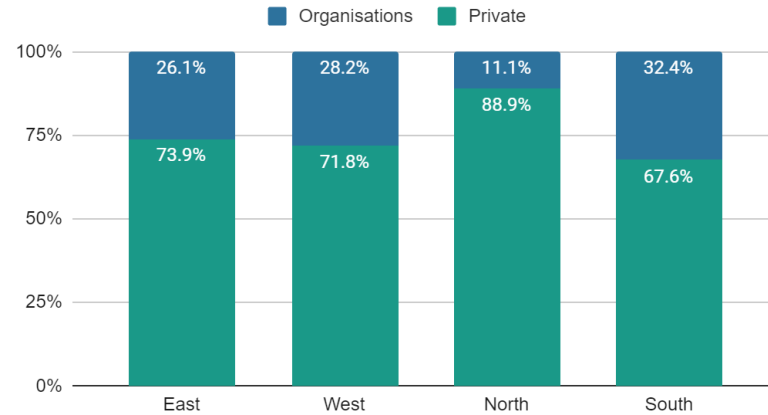
Lending 2022

Non-investment 2022

- Across regions and models, individual private backers represent the majority of backers.

- In equity highest share of organizational investors in Southern Europe (32%) and lowest in Northern Europe (11%).

- In lending highest share of organizational lenders in Western Europe (24%) and lowest in Eastern Europe (9%).

- In non-investment share of organizational backers highest in Southern Europe (23%) and lowest in Northern Europe (2%).
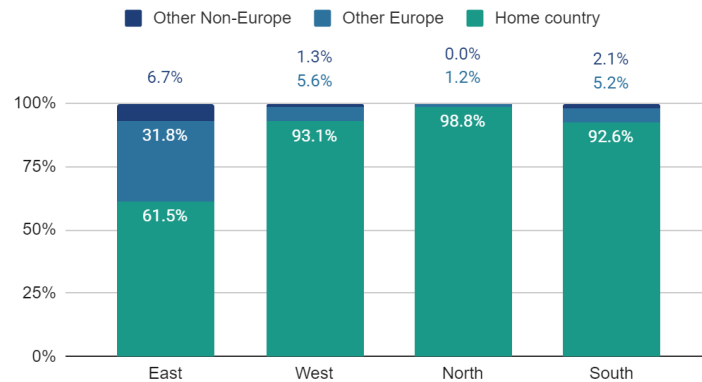
Share of organizational backers and volumes

Equity 2022 — Volumes raised (log) vs Share of organizational backers. Equity volumes (log); Trendline for Equity volumes R² = 0.071

Lending 2022 — Volumes raised (log) vs Share of organizational backers. Lending volumes (log); Trendline for Lending volumes R² = 0.026

Non-investment 2022 — Volumes raised (log) vs Share of organizational backers. Non-investment volumes (log); Trendline for Non-investment volumes R² = 0
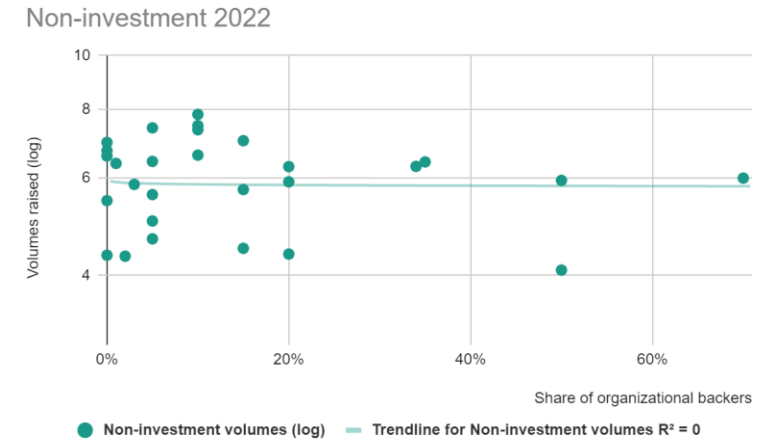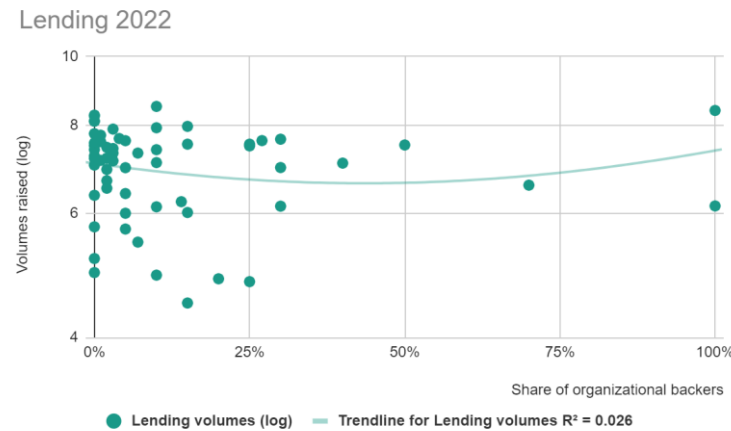
- In equity the higher the share of organizational investors the lower the volumes raised on platform until reaching 50%, after which volumes begin to rise.
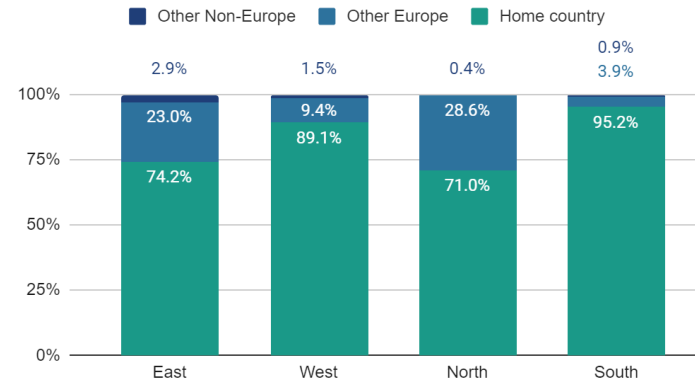- In lending the higher the share of organizational lenders the lower the volumes raised on platform until reaching 50%, after which volumes begin to rise.
- In non-investment volumes there is no relationship between the share of organizational backers and volumes raised on platform.
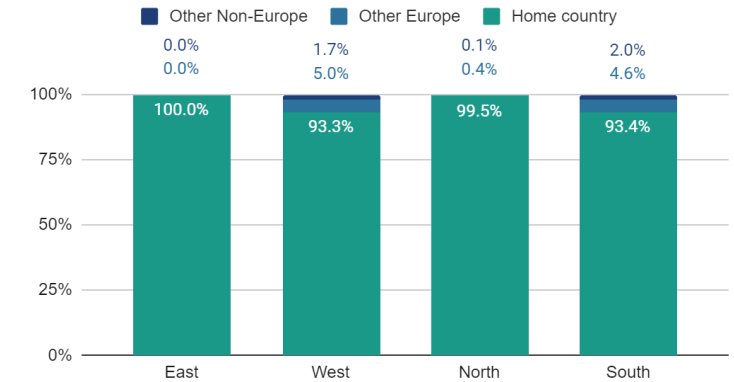
49

Foreign vs. domestic backers
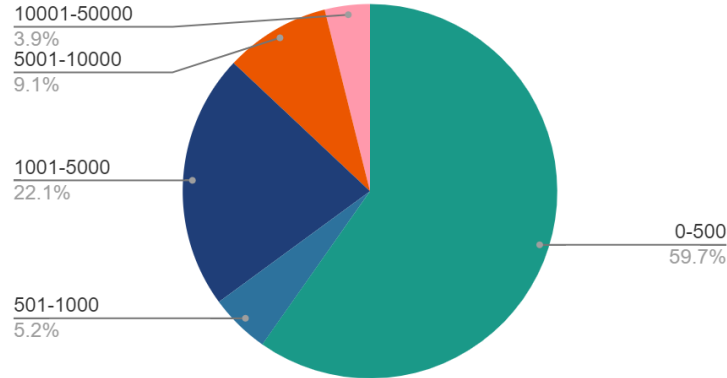
Equity 2022

Legend: Other Non-Europe · Other Europe · Home country

	East	West	North	South
Other Non-Europe		1.3%	0.0%	2.1%
Other Europe	6.7%	5.6%	1.2%	5.2%
(Other Europe stack)	31.8%			
Home country	61.5%	93.1%	98.8%	92.6%

Lending 2022

Legend: Other Non-Europe · Other Europe · Home country

	East	West	North	South
Other Non-Europe	2.9%	1.5%	0.4%	0.9%
Other Europe	23.0%	9.4%	28.6%	3.9%
Home country	74.2%	89.1%	71.0%	95.2%

Non-investment 2022

Legend: Other Non-Europe · Other Europe · Home country

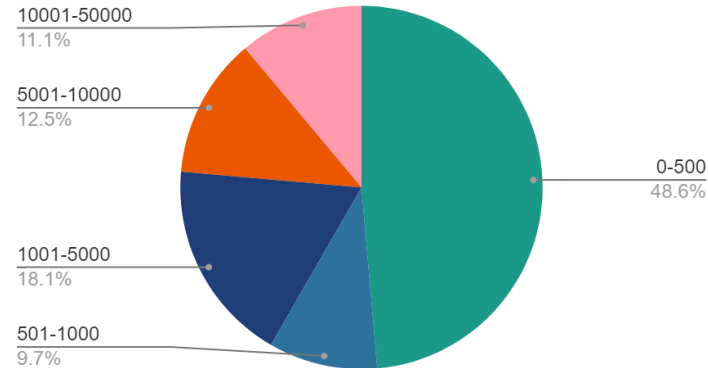|	East	West	North	South
Other Non-Europe	0.0%	1.7%	0.1%	2.0%
Other Europe	0.0%	5.0%	0.4%	4.6%
Home country	100.0%	93.3%	99.5%	93.4%

- Across regions and models, domestic backers represent the majority of backers.

- In equity highest share of foreign investors in Eastern Europe (38%) and lowest in Northern Europe (1%).

- In lending highest share of foreign lenders in Northern Europe (29%) and lowest in Southern Europe (5%).

- In non-investment share of foreign backers highest in Western and Southern Europe (7%) and lowest in Eastern Europe (0%).

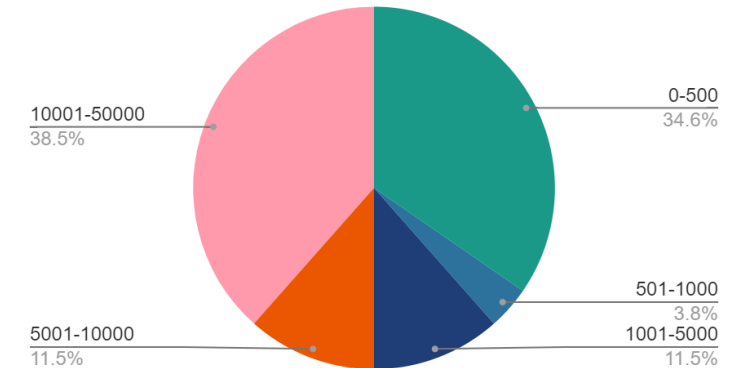# Average number of backers on platform by model 2022

Equity 2022

10001-50000
3.9%
5001-10000
9.1%
1001-5000
22.1%
0-500
59.7%
501-1000
5.2%

Lending 2022

10001-50000
11.1%
5001-10000
12.5%
0-500
48.6%
1001-5000
18.1%
501-1000
9.7%

Non-invest 2022

10001-50000
38.5%
0-500
34.6%
501-1000
3.8%
1001-5000
11.5%
5001-10000
11.5%
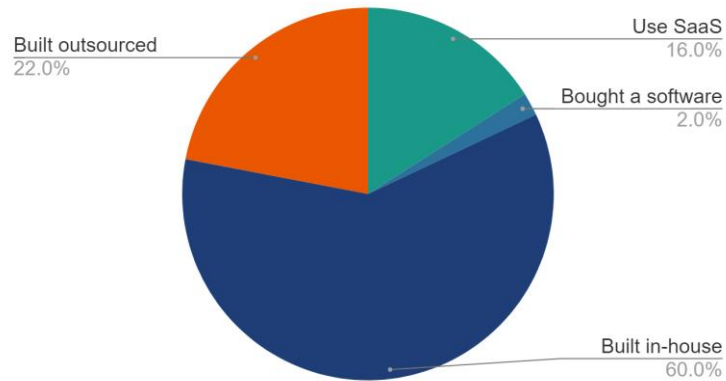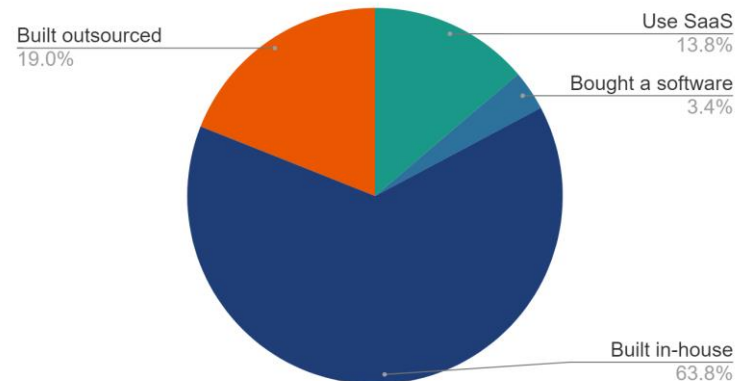
- Non-investment platforms report highest number of backers, with 38.5% of platforms reporting having between 10K and 50K backers. This range only represents 11% of lending platforms and 4% of equity platforms.

- Most investment platforms report less than 1000 investors, representing 65% of equity platforms, and 58% of lending platforms.
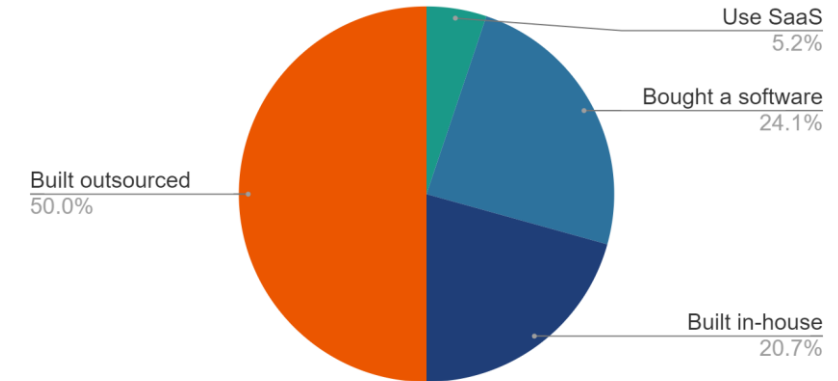
Technology

Method of platform development by model

Equity

Use SaaS 16.0%
Bought a software 2.0%
Built in-house 60.0%
Built outsourced 22.0%

Lending

Use SaaS 13.8%
Bought a software 3.4%
Built in-house 63.8%
Built outsourced 19.0%

Non-investment

Use SaaS 5.2%
Bought a software 24.1%
Built in-house 20.7%
Built outsourced 50.0%
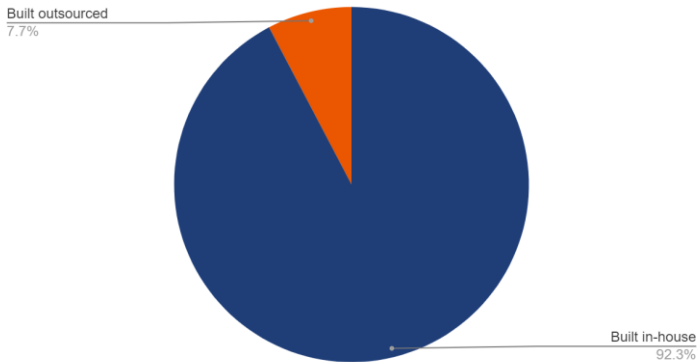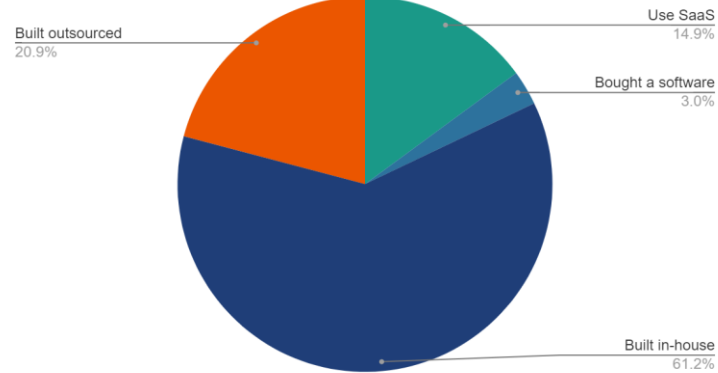
- Around 60% of investment platforms develop software in-house, while only 20% of non-investment platforms do so.

- Non-investment platforms mostly use outsourcing (50%), while only 20% of investment platforms do so.
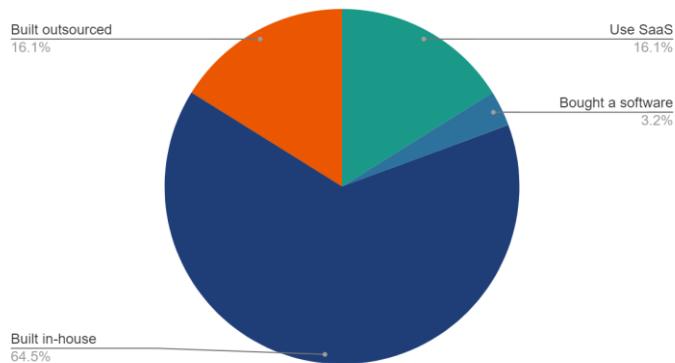
Method of platform development by region

Eastern Europe
- Built outsourced 7.7%
- Built in-house 92.3%

Western Europe
- Built outsourced 20.9%
- Use SaaS 14.9%
- Bought a software 3.0%
- Built in-house 61.2%

Northern Europe
- Built outsourced 16.1%
- Use SaaS 16.1%
- Bought a software 3.2%
- Built in-house 64.5%

Southern Europe
- Use SaaS 15.4%
- Built in-house 7.7%
- Built outsourced 76.9%
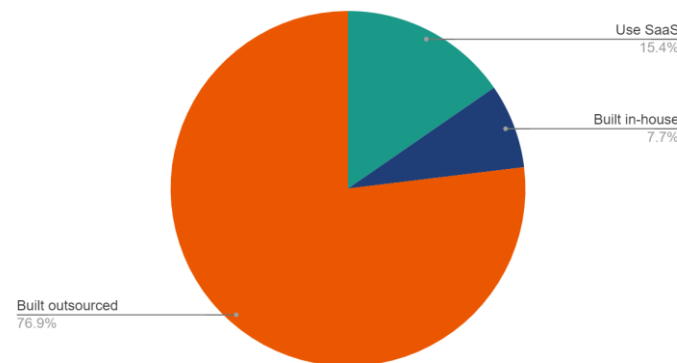
- Most platforms across regions are built inhouse except for Southern Europe where 77% of platforms were built outsourced.

- SaaS was used by 15% of platforms across regions, except for Eastern Europe where no platform used such services.

54
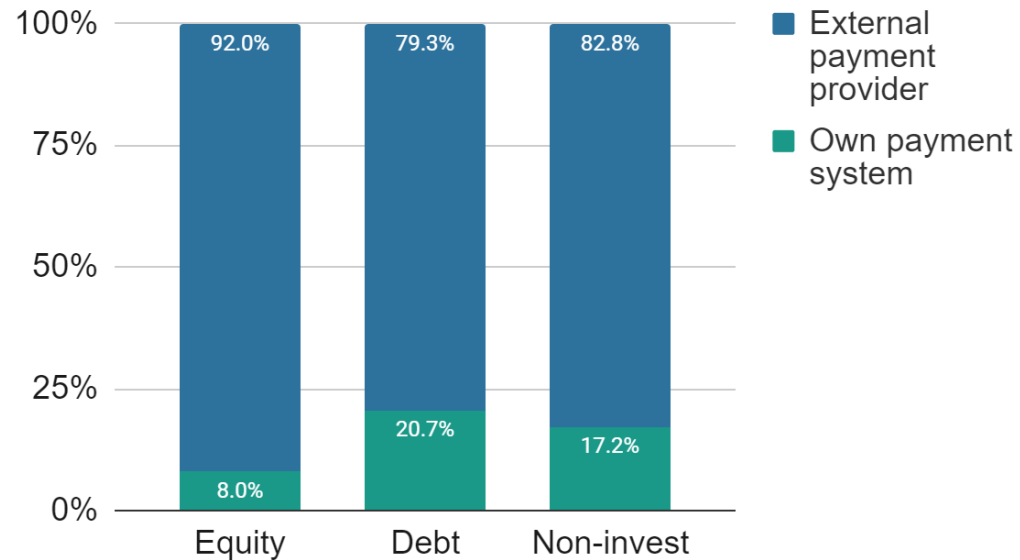
Payment Services

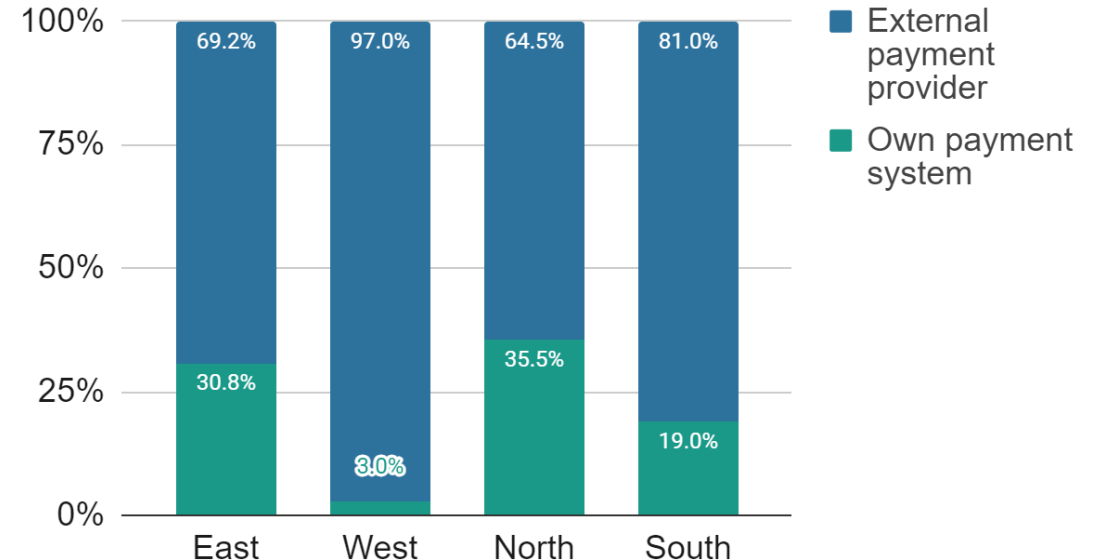- Across models, most platforms use external payment service providers. Highest rate of own payment system use in lending platforms.

- Across regions, most platforms use external payment service providers. Highest rate of own payment system use in Northern (35.5%) and Eastern (30.8%) Europe.

Feature Development - Equity

Chart legend: Planning to implement, Using, Not using

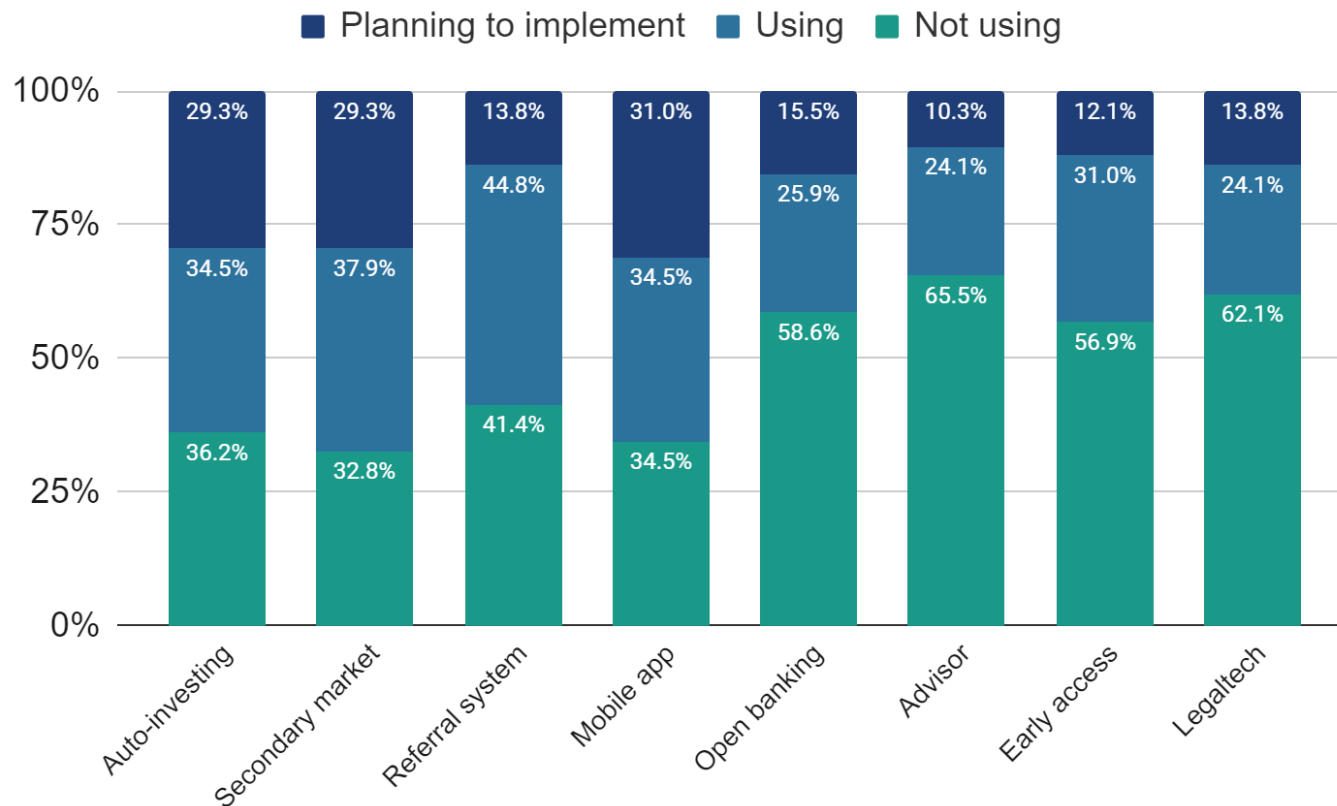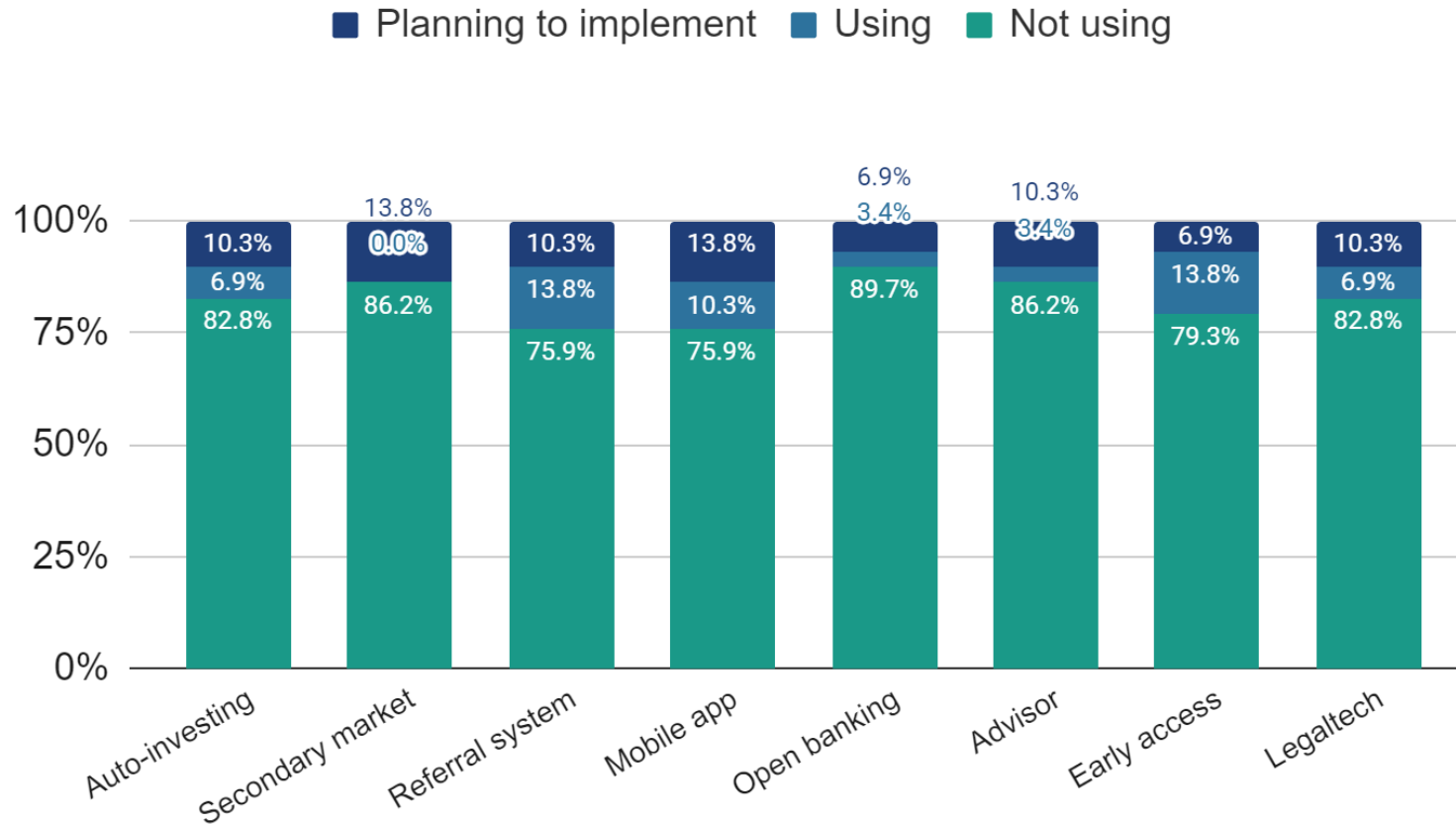| Feature	Not using	Using	Planning to implement
Auto-investing	58.0%	16.0%	26.0%
Secondary market	52.0%	22.0%	26.0%
Referral system	56.0%	32.0%	12.0%
Mobile app	54.0%	16.0%	30.0%
Open banking	76.0%	10.0%	14.0%
Advisor	58.0%	20.0%	22.0%
Early access	38.0%	44.0%	18.0%
Legaltech	56.0%	24.0%	20.0%
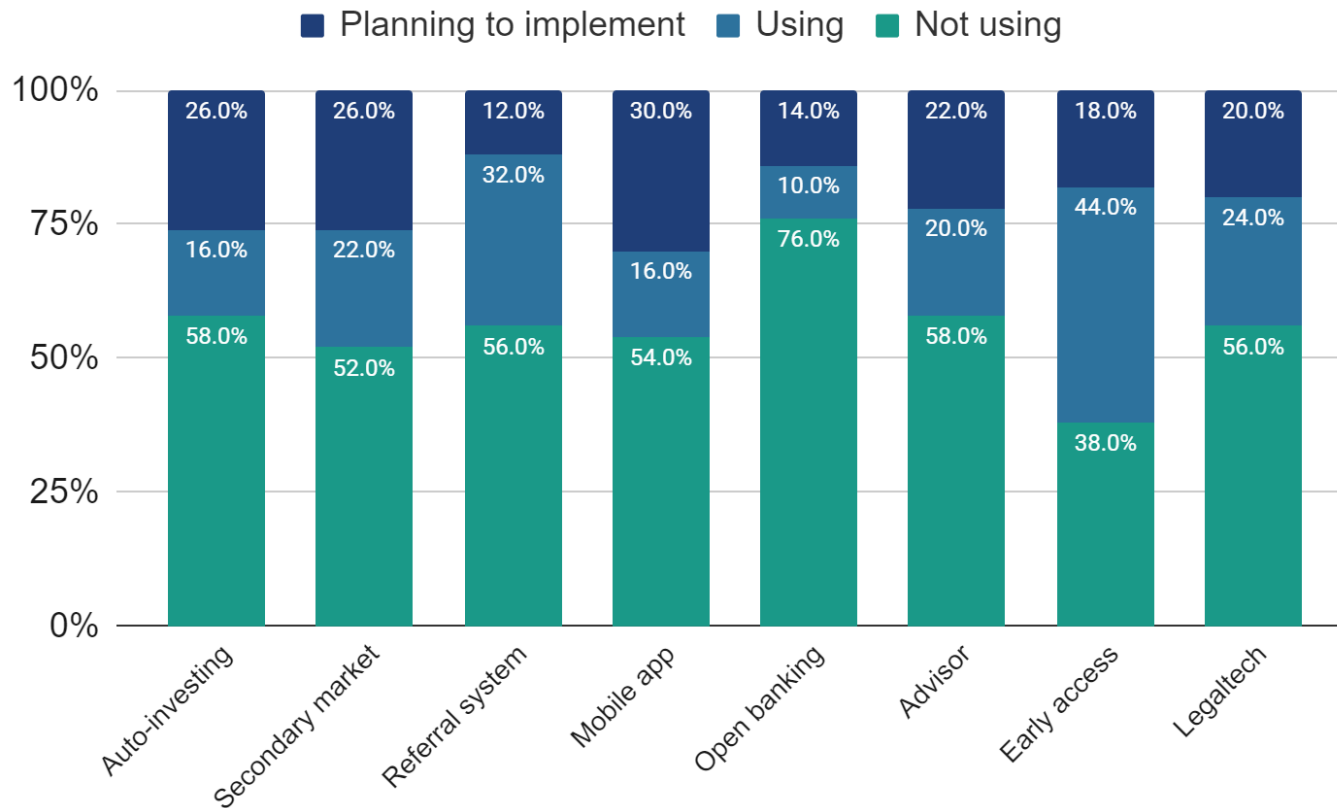
- Added features more frequently used by equity platforms include early access (44%) and referral systems (32%).

- Features in development pipeline include mobile app (30%), secondary market (26%), and auto-investing (26%).

- The feature most platforms do not use, or plan use in foreseeable future is open banking (76%).

Feature Development - Lending

Legend: Planning to implement | Using | Not using

| Feature	Planning to implement	Using	Not using
Auto-investing	29.3%	34.5%	36.2%
Secondary market	29.3%	37.9%	32.8%
Referral system	13.8%	44.8%	41.4%
Mobile app	31.0%	34.5%	34.5%
Open banking	15.5%	25.9%	58.6%
Advisor	10.3%	24.1%	65.5%
Early access	12.1%	31.0%	56.9%
Legaltech	13.8%	24.1%	62.1%

- Added features more frequently used by lending platforms include referral systems (44.8%) and secondary market (37.9%).

- Features in development pipeline include mobile app (31%), secondary market (29.3%), and auto-investing (29.3%).

- The feature most platforms do not use, or plan use in foreseeable future is advisor (76%).

Feature Development – Non-investment

Legend: ■ Planning to implement ■ Using ■ Not using

Chart data:

| Feature	Planning to implement	Using	Not using
Auto-investing	10.3%	6.9%	82.8%
Secondary market	13.8%	0.0%	86.2%
Referral system	10.3%	13.8%	75.9%
Mobile app	13.8%	10.3%	75.9%
Open banking	6.9%	3.4%	89.7%
Advisor	10.3%	3.4%	86.2%
Early access	6.9%	13.8%	79.3%
Legaltech	10.3%	6.9%	82.8%

- Non-investment platforms do not invest much in added features, which is surprising giving their tight margins and competitive landscape.

- Added features more frequently used by lending platforms include referral systems (13.8%) and early access(13.8%).

- Features in development pipeline include mobile app (13.8%), and secondary market (13.8%).

- The feature most platforms do not use, or plan use in foreseeable future is open banking (89.7%), advisor(86.2%), and secondary market (86.2%).
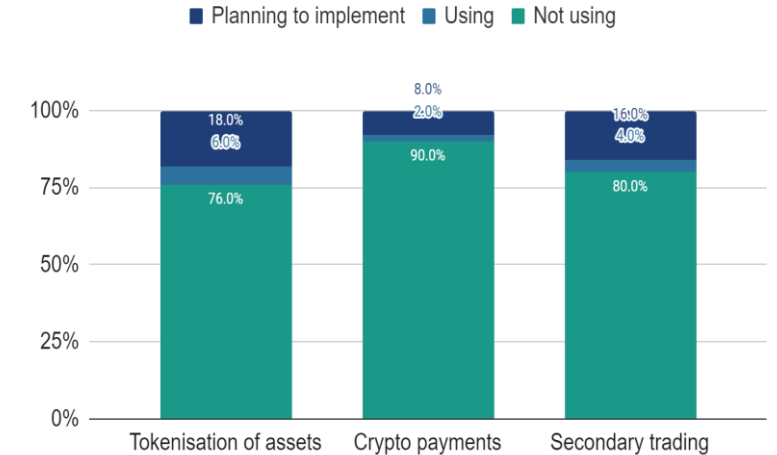
Use of blockchain applications
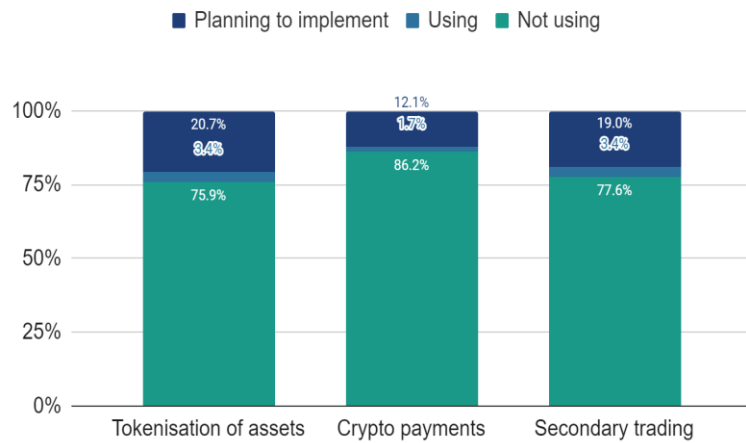
Equity
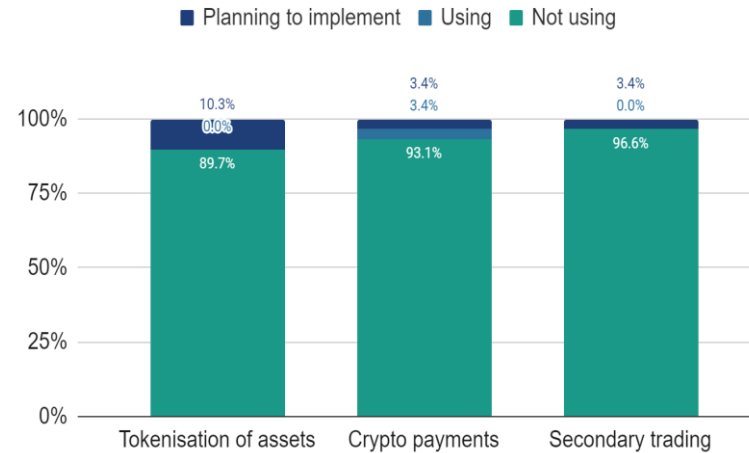
Lending

Non-investment

- Across models, platforms generally don't use or plan using blockchain applications.

- It is nonetheless considered for future implementation by equity platforms in terms of tokenization of assets (20.7%), and secondary trading (19%).

- The same applications are also considered by non-investment platforms: tokenization of assets (18%) and secondary trading (16%).

Questions ?

Thank You

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