

Outlier Ventures^o

presents...

FUNDRAISING MARKET INSIGHTS



Q3 2023

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Q3

RECAP

Fundraising **markets** have still **not recovered**

Q3 data showed the lowest fundraising market levels since late 2020, with September showing somewhat hopeful signs

Gaming + DePIN now make up **20%** of private market

Although most investors are still focused on infra and DeFi, Gaming & DePIN deals have gained substantial traction

Early stage focus: **16%** of deals at seed stage

As later stage deals decline, seed stage deals have captured even more market share, now sitting at 26% compared to 16% last year

Outlier Ventures* is the **most active** investor in **Q3**

Outlier Ventures now has more than 2.5X the number of investments compared to the next most active investor in 2023

48 new funds (\$3.8 billion) looking to deploy

48 funds have raised capital in Q3, showing that although fundraising markets have dropped, investors are preparing to deploy capital



TOKEN 2049 SINGAPORE

SPECIAL MENTION



10,000+
Attendees


The **largest** blockchain
event of the year



Reaffirmed **East Asia's** strength &
relevance in the industry



5000+ companies
300+ exhibitors, 450+ side events



Key topics: crypto legitimacy, institutional interest,
regulatory uncertainty, stablecoin importance,
interoperability, RWAs, DePIN, ZK, GameFi, AI,
SocialFi, the future of NFTs



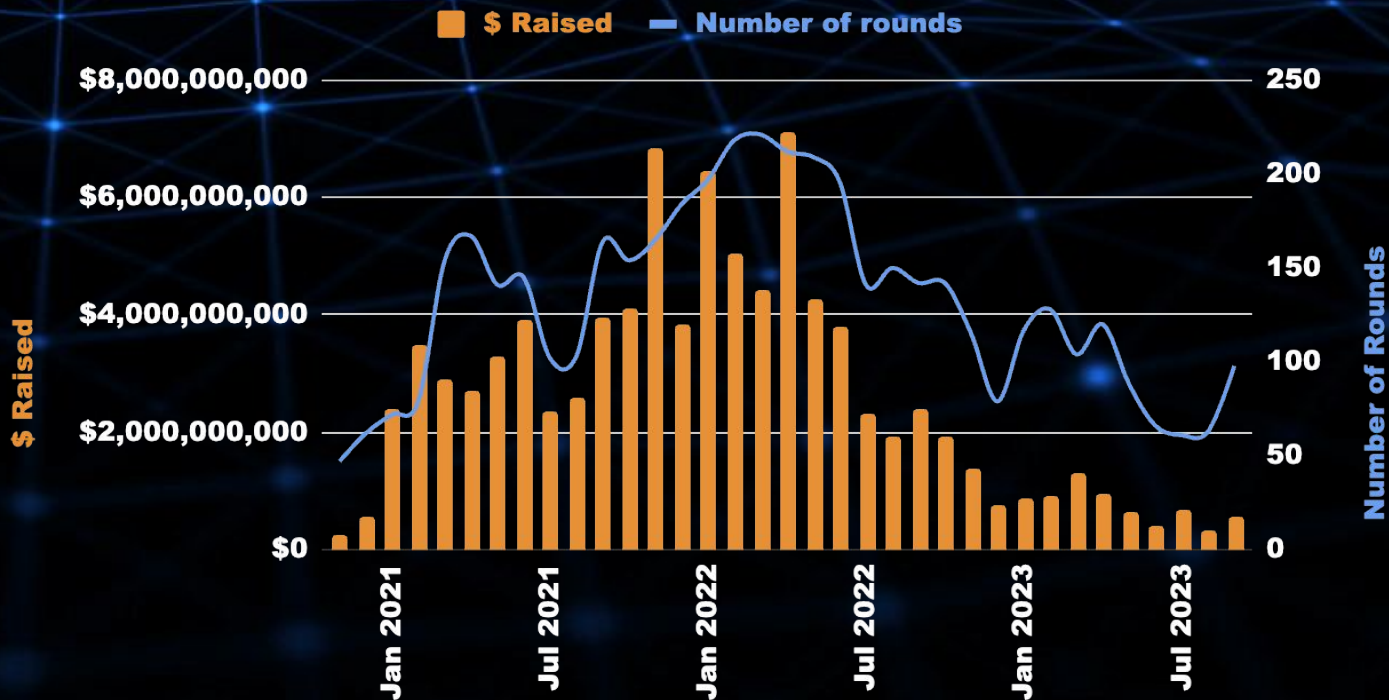
PRIVATE MARKET OVERVIEW

JULY & AUGUST

...lowest capital inflow months
since late **2020**

SEPTEMBER

...*slightly rebounded* in terms of number
of closed **deals**, but not total
\$ raised



LARGEST PRIVATE RAISES

5 largest private raises

... amounted to a total of
\$316+ Million

... all 5 in **Services** or
GameFi categories



BitGo

\$100 Million - Series C
Services - Data - Security



Flashbots

\$60 Million - Series B
Services - Trading Strategies



Futureverse

\$54 Million - Series A
GameFi - Metaverse



Core Scientific

\$53.9 Million - Unknown
Services - Data - Cloud Services



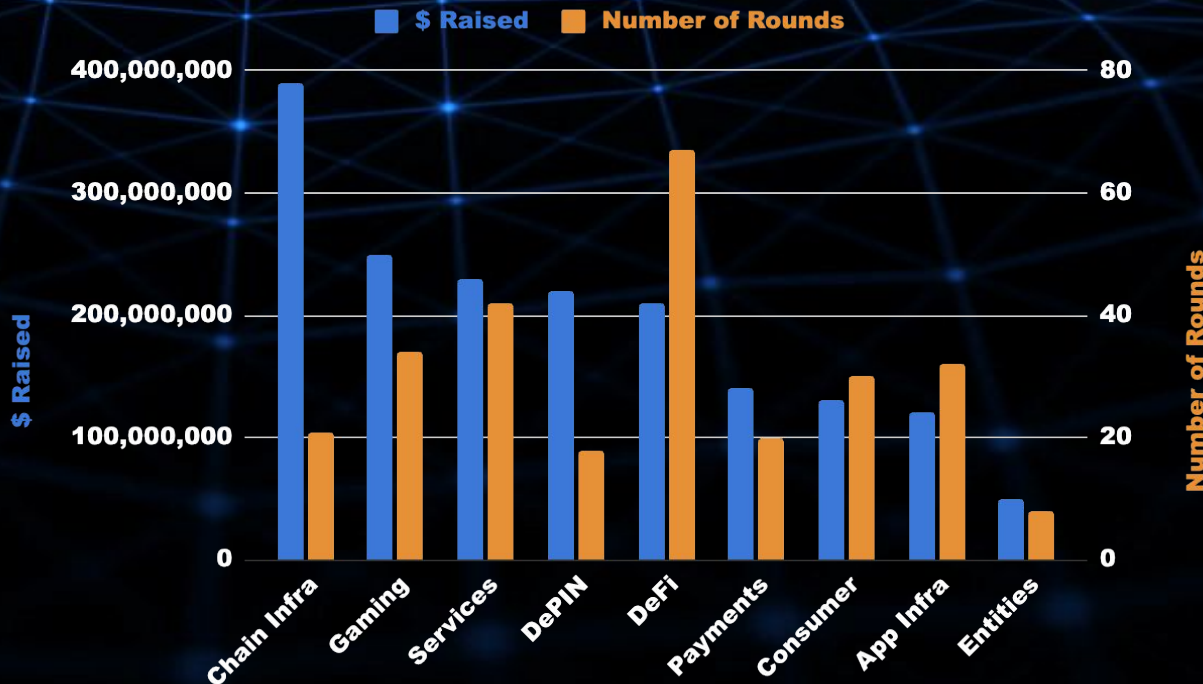
Nazara

\$49.2 Million - Post-IPO
GameFi - Sports

PRIVATE MARKET: SECTOR BREAKDOWN

Key Themes Q3

- ... Majority of **\$ raised** was in **Chain Infra, Gaming & Services**
- ... Majority of **# of rounds** were in **DeFi, Services & Gaming**
- ... **DePIN** sector market share growing in size
- ... **DeFi** had the **smallest** average **round size**, whilst **Chain Infra** had the **largest** average **round size**



Chain Infra & DeFi

had the **inverse discrepancy** between \$ raised and number of closed rounds

... **Chain Infra** had 21 closed rounds, but over \$390M raised

... **DeFi** had 67 closed rounds but only \$210M in total raise

RAISES

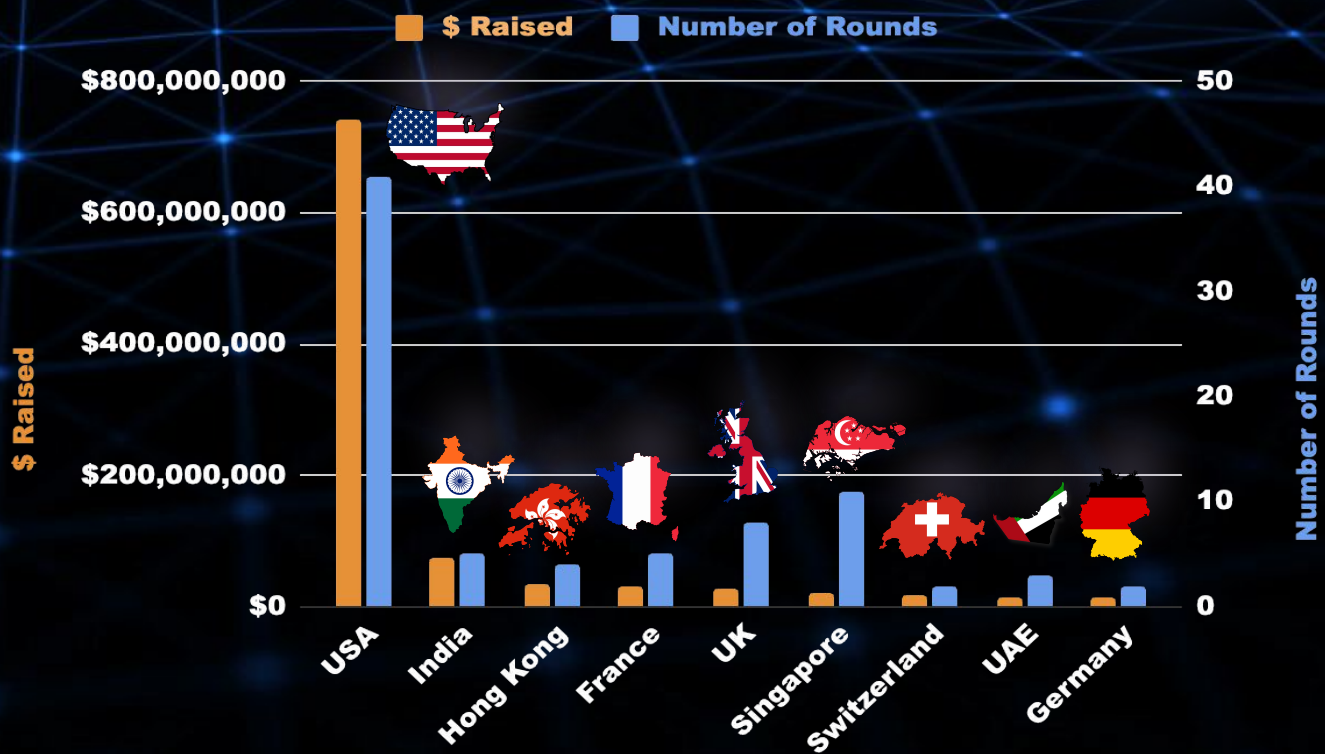
by COMPANY LOCATION

USA still dominates in terms of blockchain private funding activity

... **India** 2nd in \$ raised

... **Singapore** 2nd in number of closed rounds, followed closely by **UK** and **France**

... **Hong Kong** also stands out



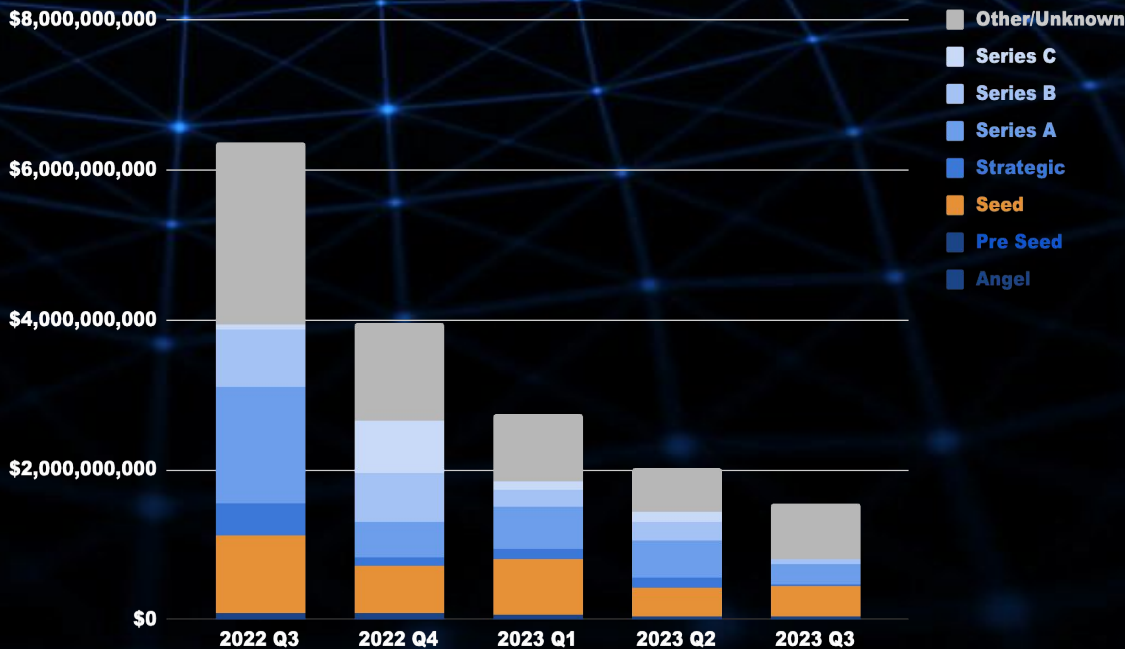
ROUND STAGES

Predominance of rounds at **Seed stage** in Q3

...shows **belief in future longevity** of the industry

... market share of Series B & C declined since 2022, much more emphasis on early stage opportunities

... investor interest in seed stage deals also shows the amount of **activity and builders** with a constant influx of innovation, novel use cases and new projects



Over **26%** of \$ Raised in **Q3 2023** is at **Seed stage**

VS.

16% in Q3 2022

Only **4%** in **Q3 2023** is at **Series B & Series C**

VS.

13% in Q3 2022

35% in Q4 2022

Q3's MOST ACTIVE INVESTORS

Outlier Ventures

Most active investors in **Q3** & most active investors in **2023**

OV **Outlier Ventures**
23 Funded Rounds



Binance Labs
22 Funded Rounds



Robot Ventures
11 Funded Rounds



Coinbase Ventures
10 Funded Rounds



Hashkey Capital
9 Funded Rounds



Polygon
9 Funded Rounds



NEAR Foundation
9 Funded Rounds



Foresight Ventures
9 Funded Rounds

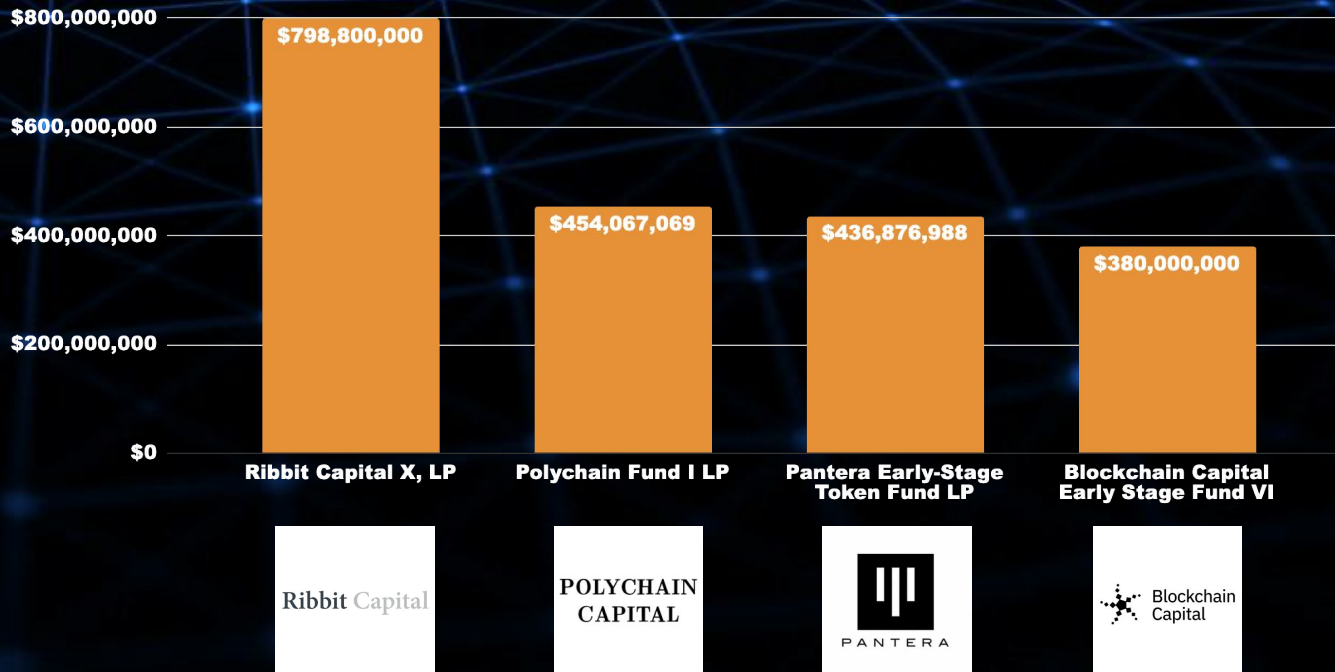
NEW FUND RAISES

48 new funds

raised capital in Q3, amounting to a total of over
\$3.8 billion

reputable names who raised new funds include
Ribbit Capital, Polychain Capital, Pantera,
Blockchain Capital, L1 Digital, Kasikorn Bank,
Galaxy Digital, SkyBridge Capital, Robot
Ventures & EJV Capital

Biggest New Funds by Capital Raised



PUBLIC MARKET

MARKET

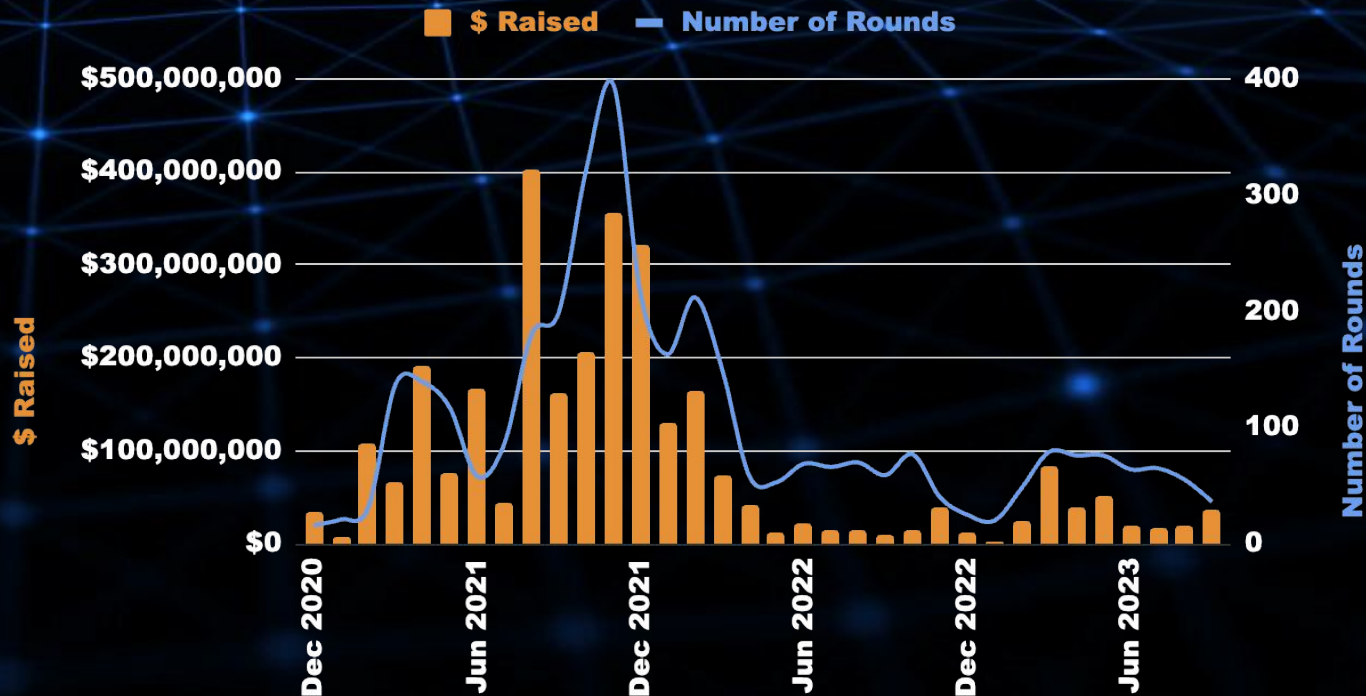
IDO's/ICO's/IEO's

Quality over Quantity

...**public** market shows **slower recovery** than **private** markets, especially in terms of number of rounds

...teams are **hesitant to launch tokens** in this market

...although the number of public rounds has kept dropping, capital raised seems to have slightly recovered since 2022, thereby pointing to **quality over quantity** since the start of 2023 as only high quality tokens manage to raise in this market



Sources: Messari, Cryptorank

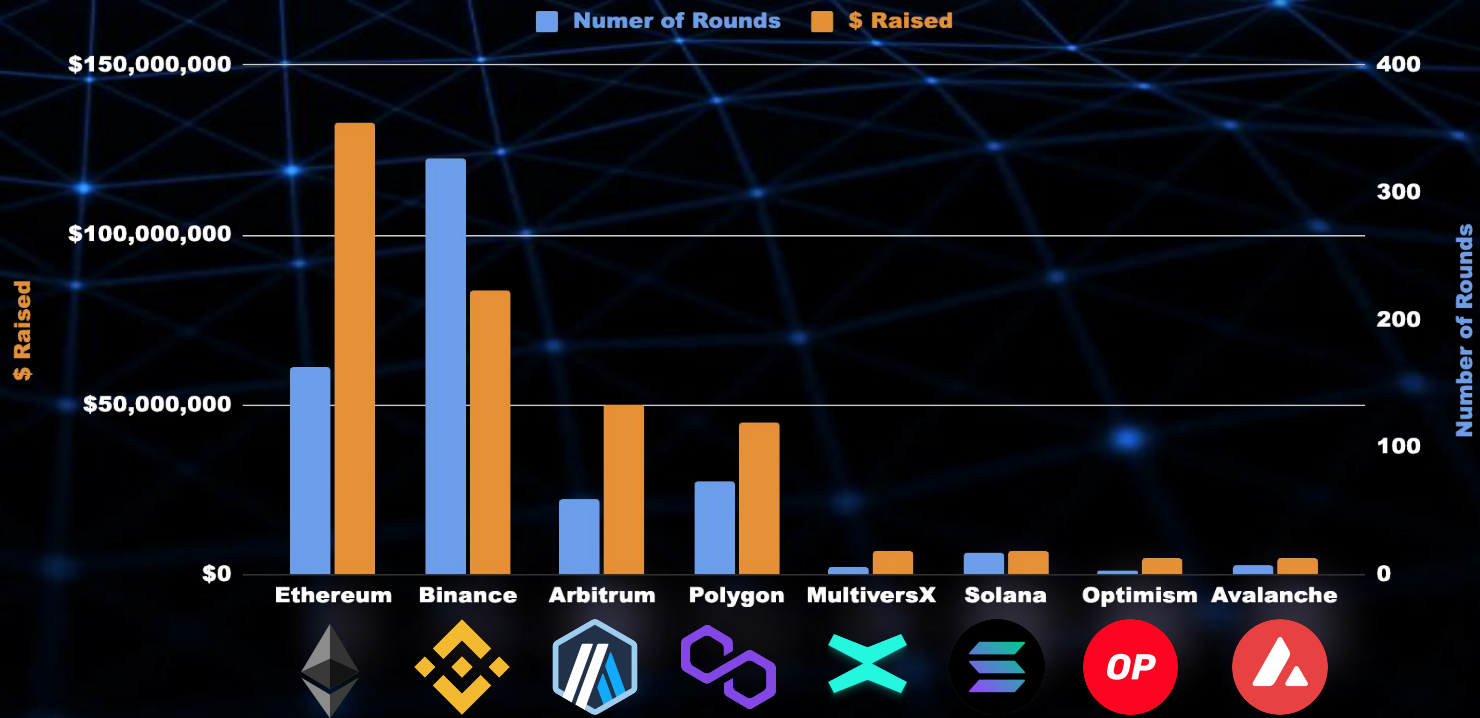
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PUBLIC ROUNDS BY CHAIN

BINANCE
... had over **2X more public rounds** than the rest

ETHEREUM
... still **outperformed** in total **\$ raised**

OTHER CHAINS
... clearly lagging behind Ethereum & Binance in terms number of rounds, but **Arbitrum & Polygon** point towards the next most active ecosystems

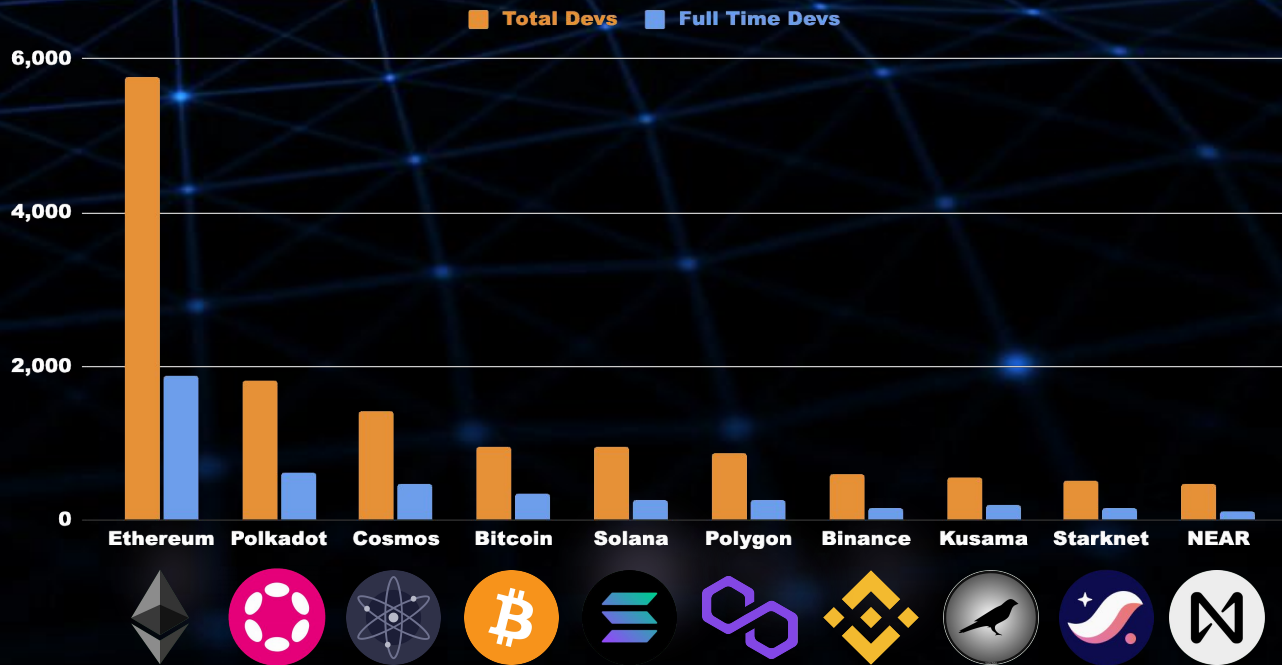


DEVELOPERS BY CHAIN

'SIDE NOTE'

Discrepancies between public rounds & developer activity

Disregarding **Ethereum**, which has always been the predominant chain in terms of public rounds & developer activity, **Polkadot, Cosmos & Bitcoin** stand out in developer count whilst being virtually invisible in the public rounds data



FUTURE MARKET THEMES

INSIGHTS FROM

Outlier Ventures



Bitcoin: the \$\$\$
untapped
ecosystem

With its global recognition & large number of developers, some of the largest projects of Q4 2023 & beyond will likely be focused on Bitcoin's ecosystem

RWAs & DePINs:
the likely market
overflow

The startup presence of real world assets and decentralized physical infrastructure in early stage markets has only just started to pick up steam...

The **Metaverse:**
more than just a
buzzword

Since the failure of Meta in conquering the metaverse, the hype died down - but the future of VR/AR/online experiences remains bright and inevitable