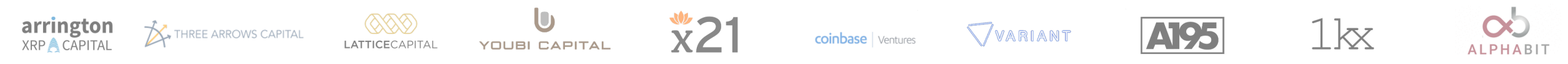




Crypto Fundraising Report

H1 2021



About the Authors



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- Founder at Dove Metrics



Pierre Chuzeville

- Head of Growth at Dove Metrics



Dove Metrics is the leading crypto fundraising database. We also publish **Dove Dispatch**, a weekly newsletter covering recent fundraising rounds.



Lattice Capital invests in early crypto projects and helps founders build defensible moats. **Lattice Capital** partners are early investors in breakout companies like **Axie Infinity**, **Audius**, and **OpenSea**.

Why are we building Dove Metrics?

We built Dove Metrics to help crypto entrepreneurs make informed fundraising decisions. We do this by bringing transparency to the crypto industry's capital landscape.

What's coming up at Dove Metrics?

We're going to continue keeping Dove Metrics up to date and to publish our weekly newsletters. We're also going to start publishing these reports quarterly, and are planning a website re-launch in the next few months. We're always open to ideas and feedback!

Source

We source data from more than a dozen channels including fundraising announcements, crypto news channels, Twitter, and media articles.

Data Set

Dove Metrics tracks more than 2000+ active crypto investors (including funds, DAO's, and angels) and has rich data on 1000's of fundraising rounds.

Executive Summary



- Fundraising exploded across all categories in H1 2021
 - Despite growth in DeFi, centralized financial applications (CeFi) continues to dominate with companies raising \$4.6B
 - The NFT hype is not going away and surpassed DeFi in fundraising activity in March
- Ethereum continues to dominate DeFi, but investors are hedging their bets
 - Polkadot and Terra have had breakout years in terms of investor interest
 - Despite concerns about gas prices, more than 80% of DeFi funding went to Ethereum
- Later stage deal-making shows maturation of fundraising markets
 - Infrastructure companies raised \$21M on average; more Series A + B raises
 - Mega rounds are back with BlockFi, Solana, Ledger all raising \$300M+

2021 H1 Fundraising Overview



588

rounds

(x1.7 vs. FY 2020)

239

DeFi

141

Web3 & NFTs

136

Infrastructure

72

CeFi

\$9.9B

raised

(x4.3 vs. FY 2020)

\$1.3B

DeFi

\$1.3B

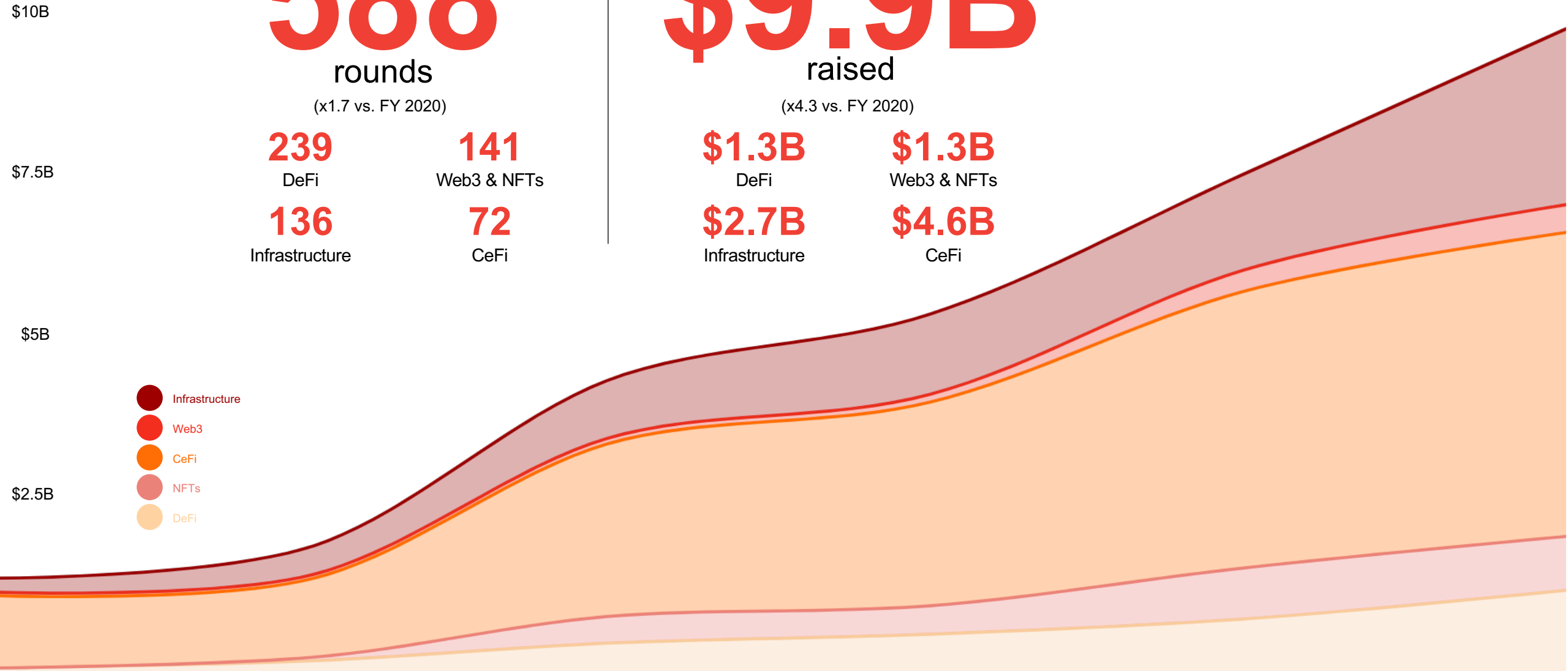
Web3 & NFTs

\$2.7B

Infrastructure

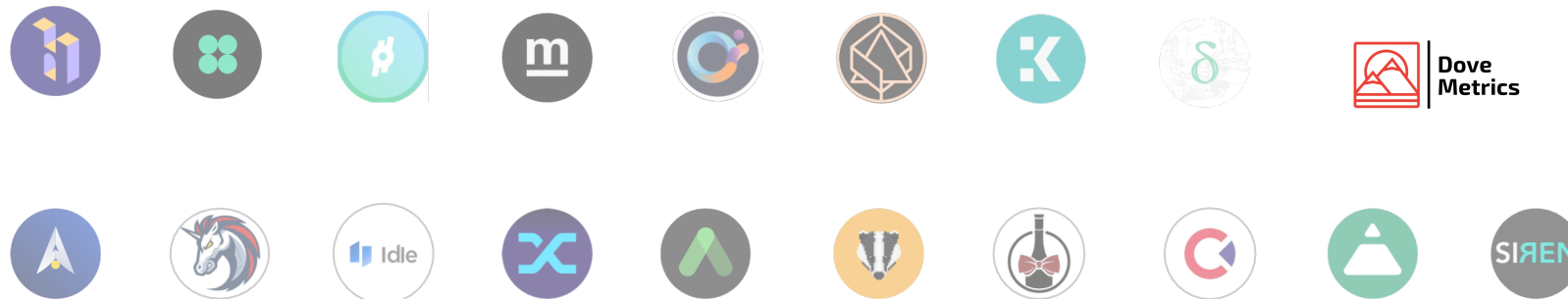
\$4.6B

CeFi

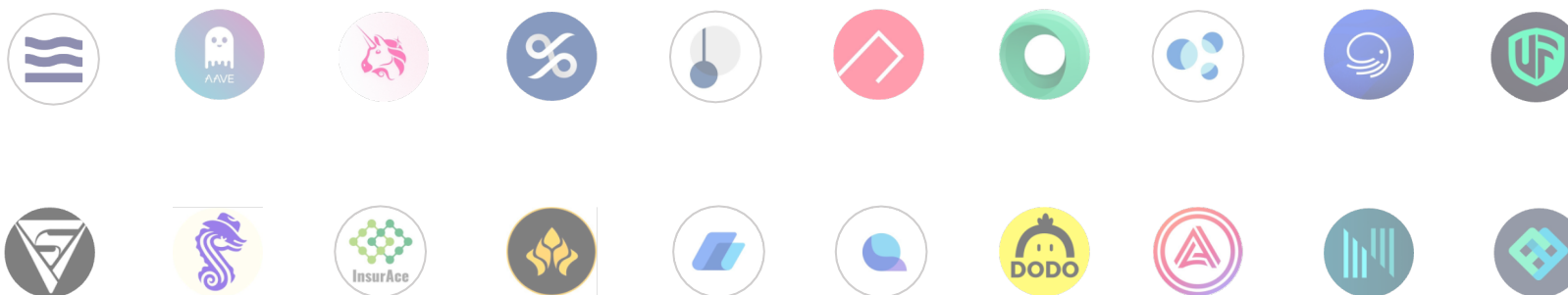


- Infrastructure
- Web3
- CeFi
- NFTs
- DeFi

DeFi

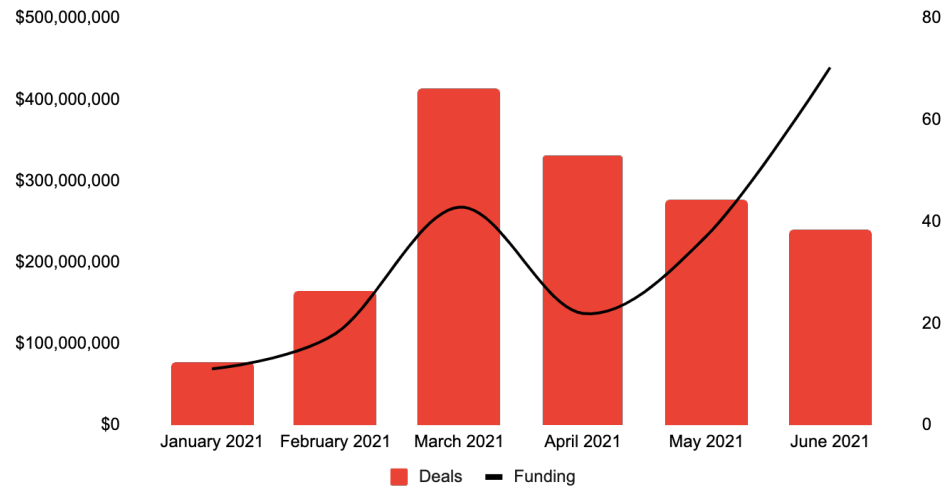


-
1. Deal Activity
 2. Stages Breakdown
 3. Geography Focus
 4. Verticals
 5. Layer 1s
-



\$1.3B+ raised & 239 deals announced: DeFi fundraising exploded during H1 2021

H1 2021 DeFi Deal Activity



Focus on June 2021

More than \$439M have been raised in DeFi in June 2021 *alone*, driven by large rounds like:

- **SynFutures (\$14M)** — with participation from Polychain Capital, Framework Ventures, Pantera Capital, Bybit, Wintermute, CMS Holdings, and others.
- **Goldfinch (\$11M)** — with participation from Andreessen Horowitz, Mercy Corps Ventures, A.capital, SVAngel, Access Ventures, Divergence Ventures, and others.
- **Middleware (\$10M)** — with participation from DeFi Alliance, LongHash Ventures, and Andre Cronje.
- **Yield (\$10M)** — with participation from Paradigm, Framework Ventures, DeFi Alliance, Symbolic Capital Partners, CMS Holdings, and Variant.

41%

DeFi fundraising rounds represent 41% of the crypto-related deals announced.

13%

DeFi fundraising rounds represent 13% of the total amount raised by crypto companies.

1.8

On average, 1.8 DeFi funding deals per working day were announced during H1 2021.

Focus on new funds making their first DeFi investment



R8 Capital

7 DeFi investments
InsurAce
Linear
UniFi



SL2 Capital

4 DeFi investments
DAFI
MakiSwap
NAOS Finance



4SV

9 DeFi investments
Composable
Scaleswap
Parastate

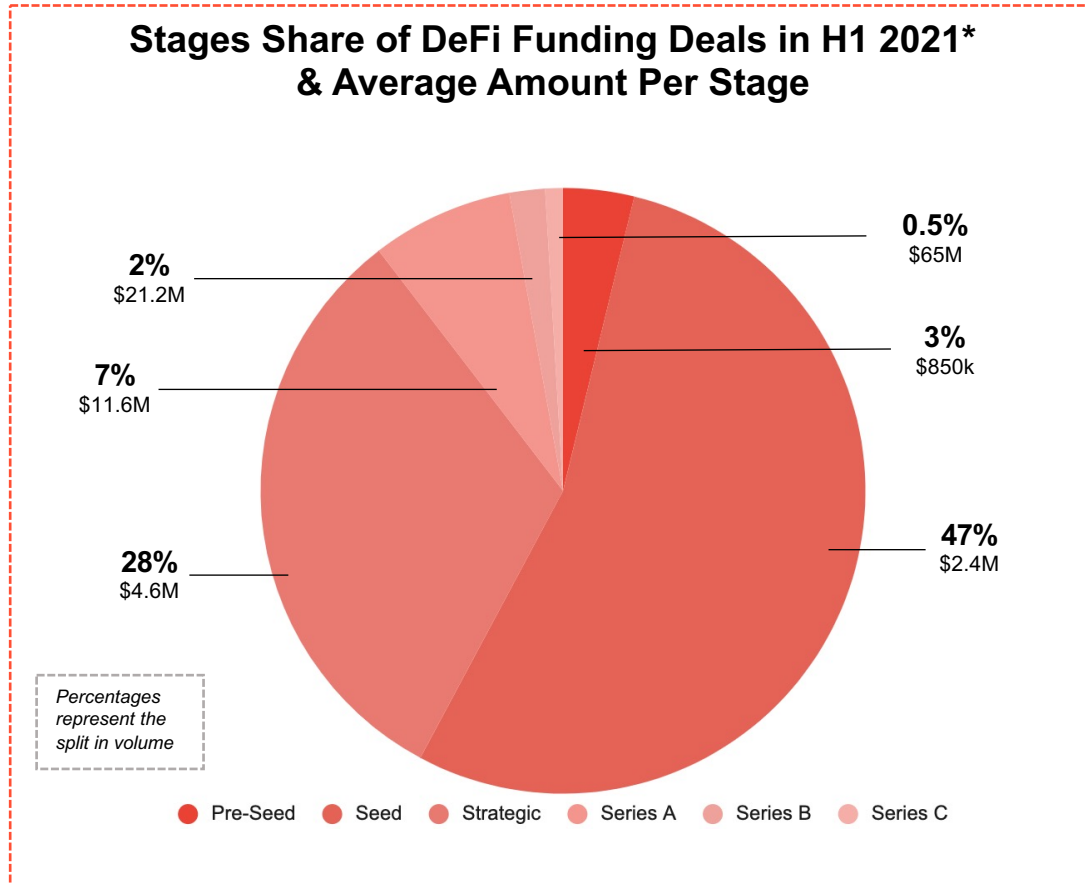


Yield Ventures

9 DeFi investments
Vader Protocol
Injective
THORChain

DeFi | Capital Across Stages

Early rounds continue to dominate the DeFi fundraising landscape



\$5.2M

On average, a DeFi company raised \$5.2M per round in H1 2021.

13%

DeFi only represents 13% of the blockchain-related late-stage* funding rounds.

Focus on dYdX Series C Round

After a Seed round in December 2017, a Series A in October 2018, a Series B in January 2021, dYdX raised a \$65M Series C in June: the first-ever in the DeFi ecosystem.

Lead Investors:

- Paradigm

Other Investors:

- THREE ARROWS CAPITAL
- POLYCHAIN CAPITAL
- ELECTRIC CAPITAL
- HASKEY
- WINTERMUTE
- andreessen horowitz

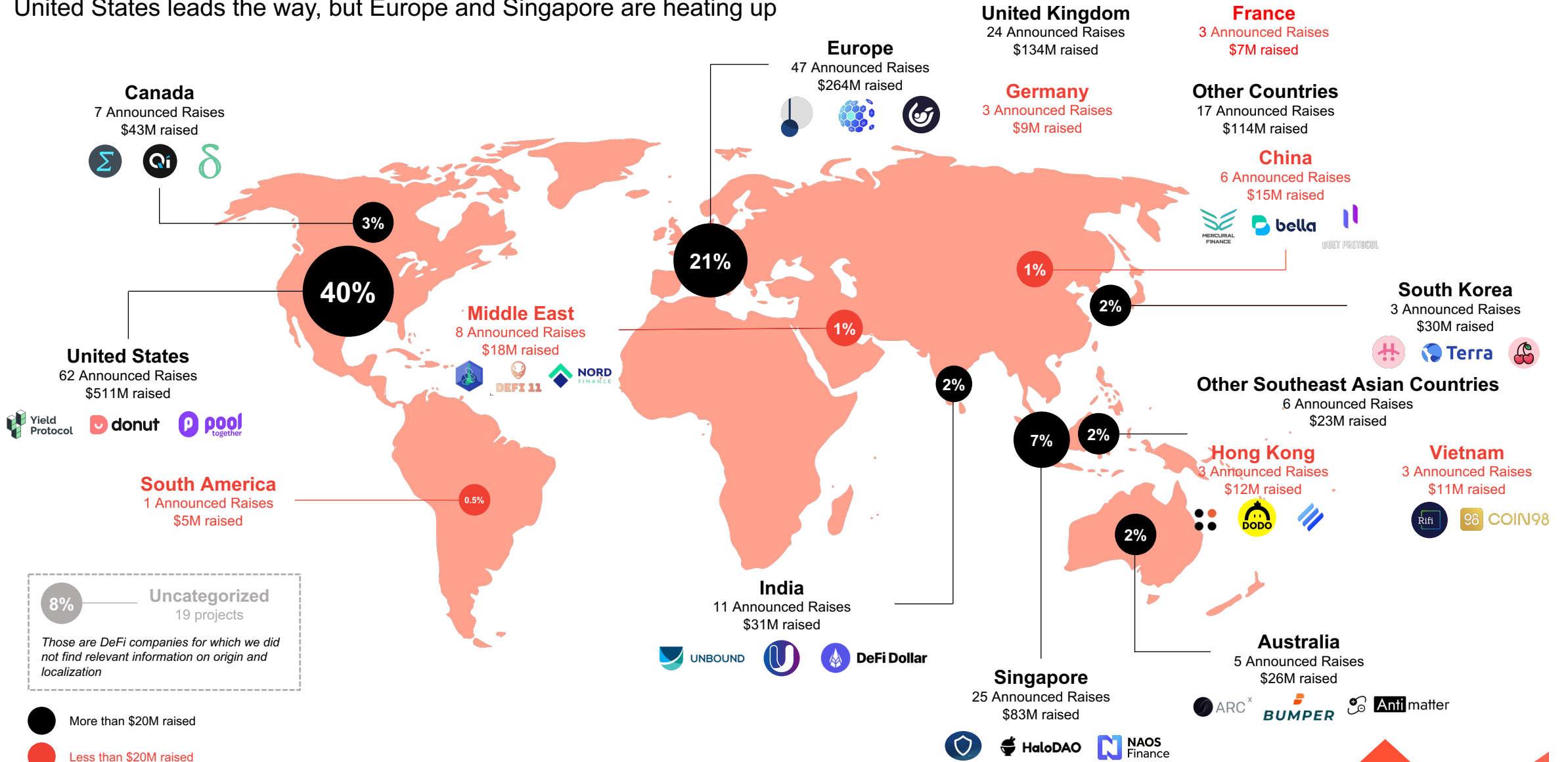
*9% of the rounds are uncategorized because no relevant information was provided about the funding stage

*Series B and beyond rounds are considered late stage

DeFi | Geography



United States leads the way, but Europe and Singapore are heating up

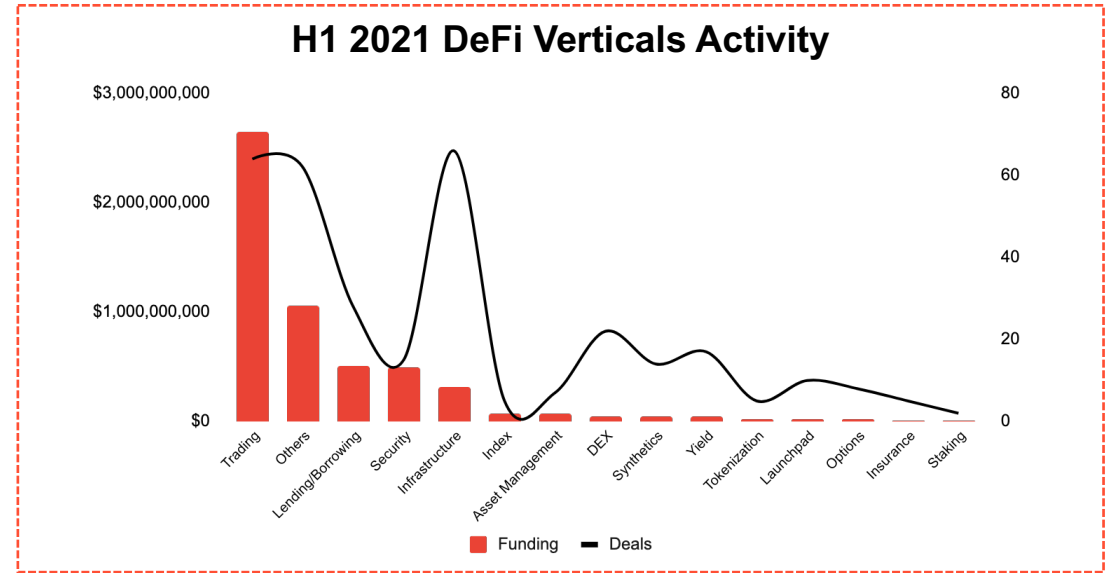
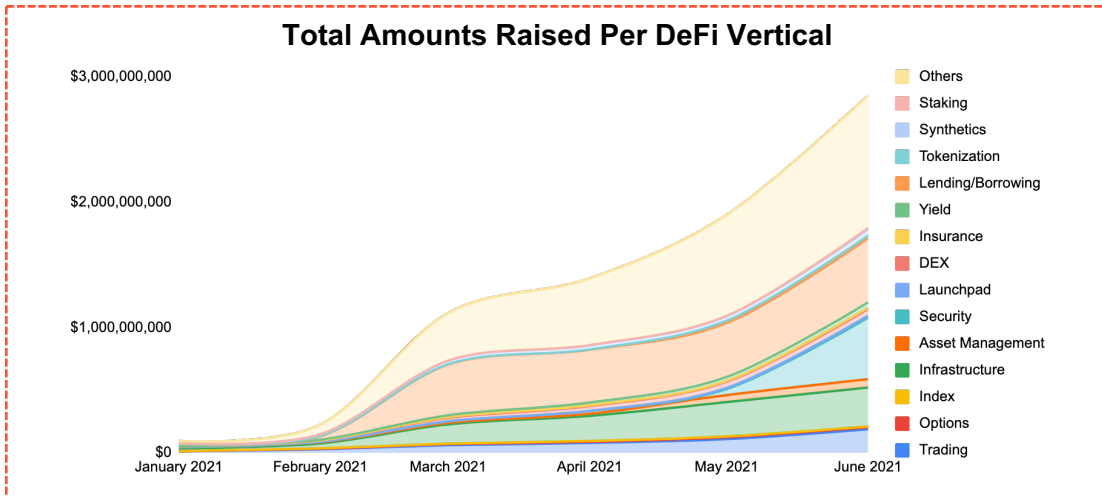


*Percentages represent the split in dollars

DeFi is growing as teams build across 10+ verticals

Trading **65** rounds **\$2.6B** raised

Lending/Borrowing **28** rounds **\$511M** raised



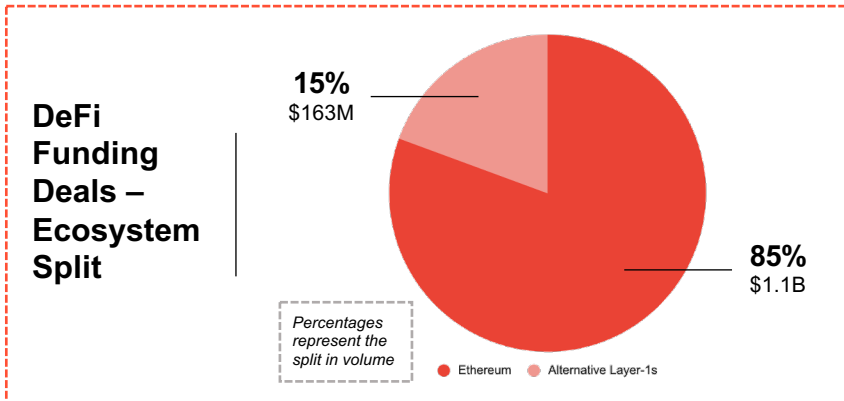
Focus on BitDAO's round

BitDAO accounts for 66% the "Others" DeFi category total funding amount. BitDAO is promoting the growth of DeFi by providing grants and liquidity to projects and setting up R&D centers. It raised \$230M from Peter Thiel, Alan Howard, Founders Fund, Pantera Capital, Dragonfly Capital, Jump Capital, Spartan Group, Fenbushi Capital, and Kain Warwick.

Focus on the Trading category

DeFi projects building in the Trading space raised more than \$2.6B. They can be Decentralized Exchanges, trading platform that help traders analyze data, decentralized trading margin platform, social trading solutions, derivatives-focused trading protocols, and companies providing pre-built strategies from leading hedge funds and traders.

Ethereum continues to dominate, but investors are hedging their bets



Focus on BSC

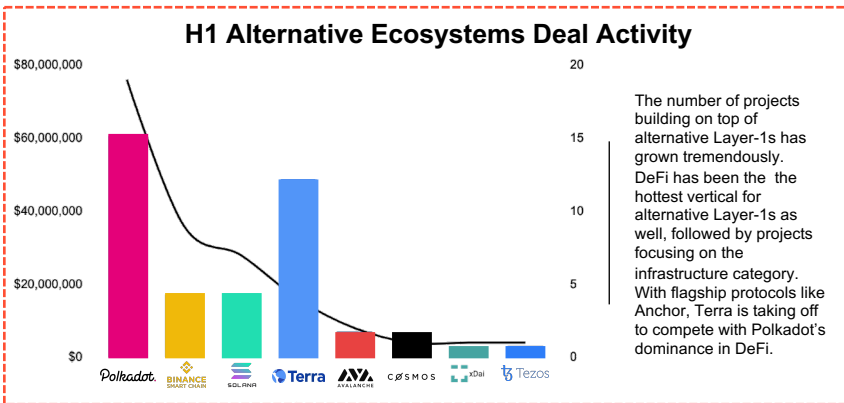
Binance Labs is an active investor with **8 DeFi investments** in H1 2021 — 4 of them building on top of BSC. It also recently announced a **new incubation program** accepting projects building on BSC with valuations up to **\$3M**. An excellent initiative to get a stake by providing initial funding and to generate a preferential dealflow.

As Ethereum transaction fees surged to new all-time highs, **80+ DeFi projects** were created — often to replicate what was built on Ethereum.

Focus on Terra

Terraform Labs raised **\$25M** in January from **Galaxy Digital, Coinbase Ventures, Pantera Capital, Kenetic, and others**.

The Terra ecosystem fundraising landscape started with **CHAI's \$15M Series A** back in January 2020, led by **HOF Capital**. Thanks to the support of founder **Do Kwon** as well as two leading projects **Mirror** and **Anchor Protocol**, **50+ projects** are building on Terra. But even if tier-1 funds like **IDEO CoLab ventures** and **Delphi Digital** ran incubator program, very few projects already completed funding rounds.



Focus on Polkadot

Polkadot DeFi stack has been attracting many top investors, thanks to noteworthy raises such as **Reef Finance's \$20M Strategic round** back in March, **Composable Finance's \$7M Seed round**.

Some bold initiatives like **Polkadot Buildathon: India** and **Polkadot DeFi Alliance** aim at empowering and connecting projects building in the ecosystem. **66 DeFi projects** are being built on top of Polkadot.

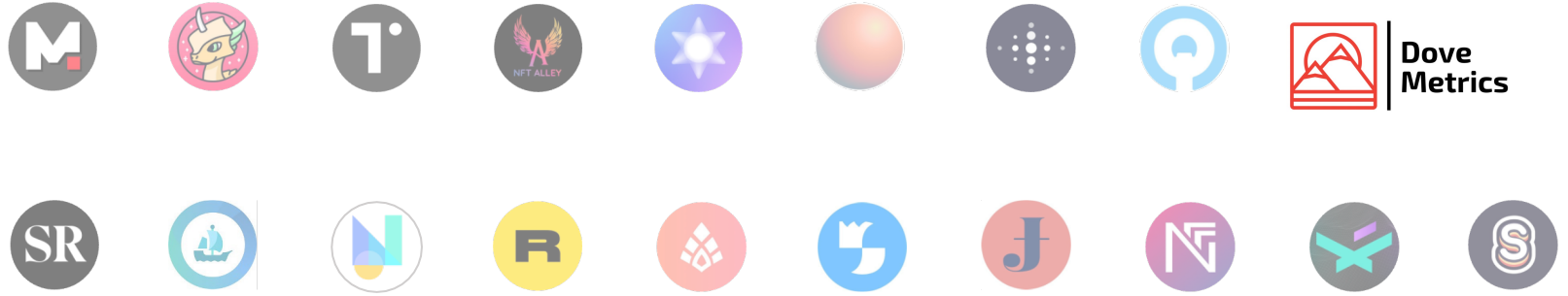
Focus on Solana

Solana Labs recently received **\$314M** in fresh funding from **Andreessen Horowitz, Polychain Capital, ParaFi Capital, and others**.

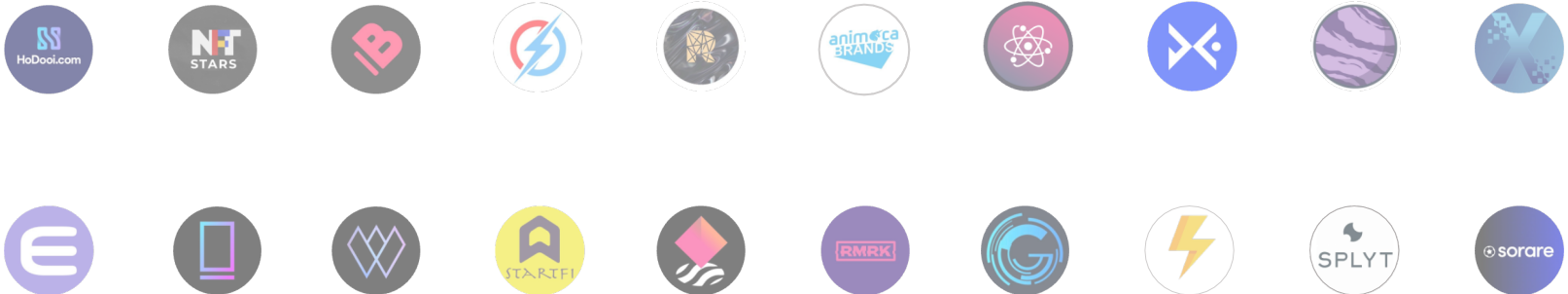
With the support of **Alameda Research** and other leading investors like **ParaFi Capital** and **Multicooin Capital**, Solana takes key initiatives to grow its DeFi ecosystem with DeFi **hackathons** and community **grants**. As a result, **79 DeFi protocols** are being built on top of Solana, and top-class projects like **Raydium** and **Serum** are powering some novel applications.

* Funds raised by Solana Labs are excluded

NFTs



-
1. Deal Activity
 2. Stages Breakdown
 3. Geography Focus
 4. Verticals
-

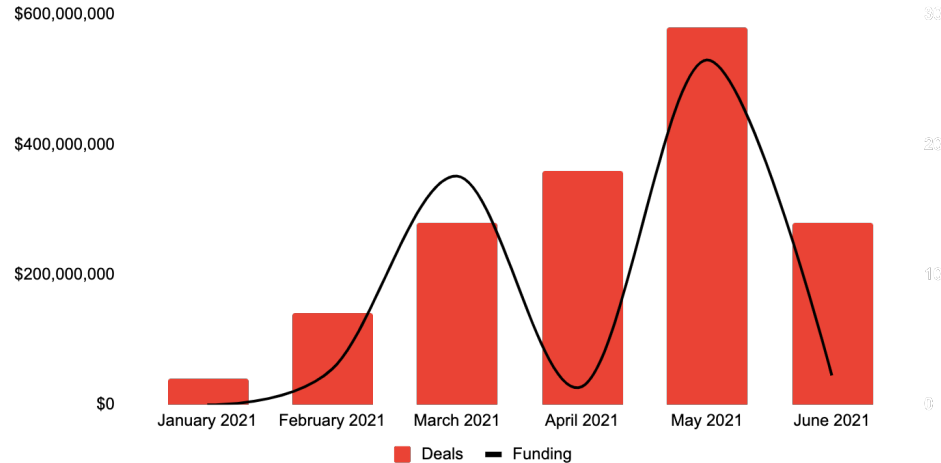


“While NFTs standards and companies have existed as early as 2016, it wasn't until 2020 that crypto funds and venture capital started taking a serious look at investing in the space. Some highlights include Dapper Labs' \$305 million raise in April, and Rarible's \$14.2 million Series A led by Venrock, as well as OpenSea's Series A led by Andreessen-Horowitz. To date, the majority of NFT startups have focused on building marketplaces and issuance platforms, but the next big opportunity in the space will be protocol solutions that will enable financialization of the NFT asset class. Companies including NFTfi, Niftex, NFTX, and Upshot have all raised rounds in the area of NFT fractionalization, loans, and appraisal technologies. Contrary to the talk of NFT bubbles, we believe we're still in the early days of developing this transformational asset class with corporate R&D just kicking off in February of 2021 with the runup of attention to the space.”

Jake Brukhman — Founder & CEO of CoinFund

\$1B+ raised & 84 deals announced: NFTs hype convinced investors to deploy large amounts of capital

H1 2021 NFTs Deal Activity



Focus on May 2021

More than \$530M have been raised in NFTs in May 2021. Large late-stage rounds contributed:

- **Animoca Brands (\$89M)** — with participation from SNZ Holding, Kingsway Capital, Metapurse, Liberty City Ventures, Huobi Capital, Hashkey Capital, and others.
- **GENIES (\$65M)** — with participation from Bond Capital, Dapper Labs, Polychain Capital, Coinbase Ventures, and Hashkey Capital.
- **OneOf (\$63M)** — with participation from Tezos Foundation, Sangha Capital, Jack Herrick, Bill Tai, Suna Said, and Jaeson Ma.
- **Big Time Studios (\$21M)** — with participation from FBG Capital, Digital Currency Group, OKEx BlockDream Fund, Sound Ventures, and Alameda Research.

14%

NFTs fundraising rounds represent 14% of the crypto-related deals announced.

10%

NFTs fundraising rounds represent 10% of the total amount raised by crypto companies.

0.6

On average, 0.6 NFTs funding deals per working day were announced during H1 2021.

NFTs-focused funds actively investing



Sfermion
2 NFTs investments
Yield Guild Games
TradeStars



Metapurse
4 NFTs investments
Animoca Brands
OpenSea
Mintable

NFTs-focused funds newly launched



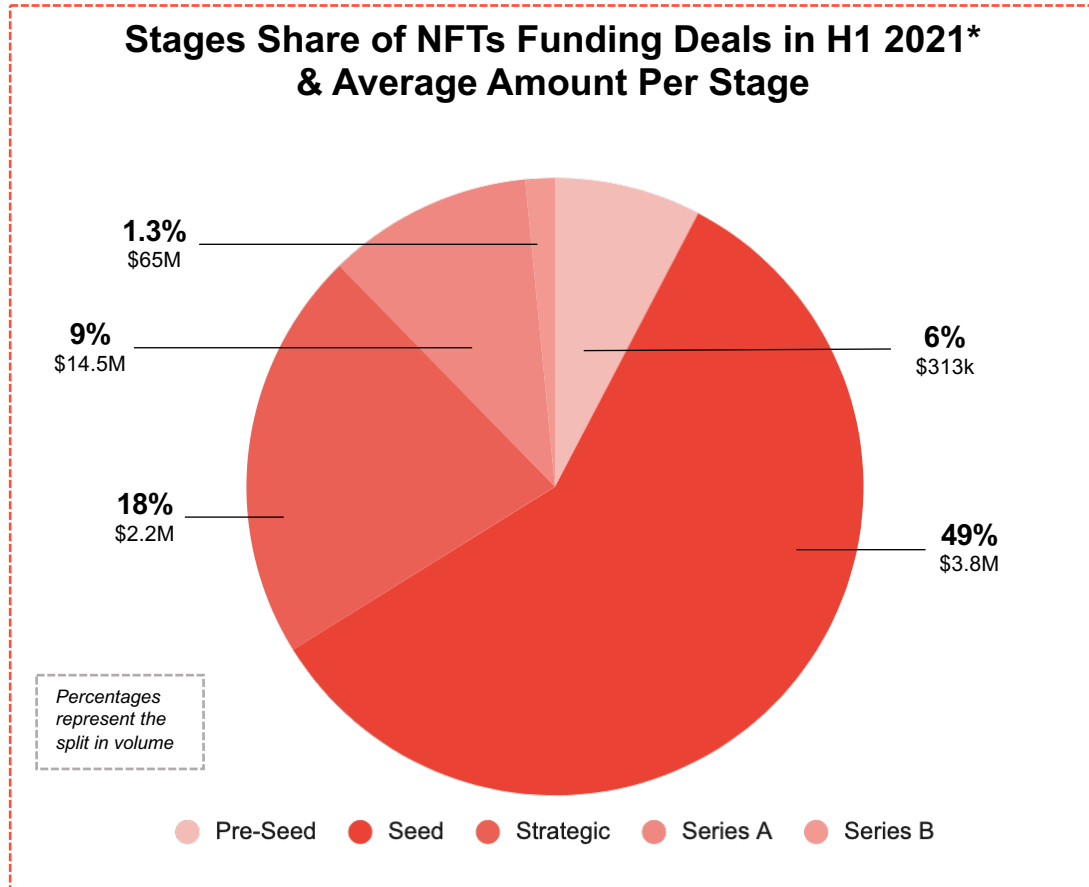
Blockchain Creative Labs
No investment yet



DELPHI INFINFT
No investment yet

NFTs | Capital Across Stages

The NFTs capital market is still in its infancy: 75%+ of rounds are earlier than Series A



*15% of the rounds are uncategorized because no relevant information was provided about the funding stage

\$12M

On average, a NFTs company raised \$12M per round in H1 2021.

3%

NFTs only represent 3% of the blockchain-related late-stage* funding rounds.

Focus on Rarible's Funding Rounds

After a Pre-Seed round in September 2020, a Seed Round in February 2021, Rarible raised a \$14M Series A in June: a symbol of NFTs marketplaces attractivity.

Lead Investors: CoinFund, venrock

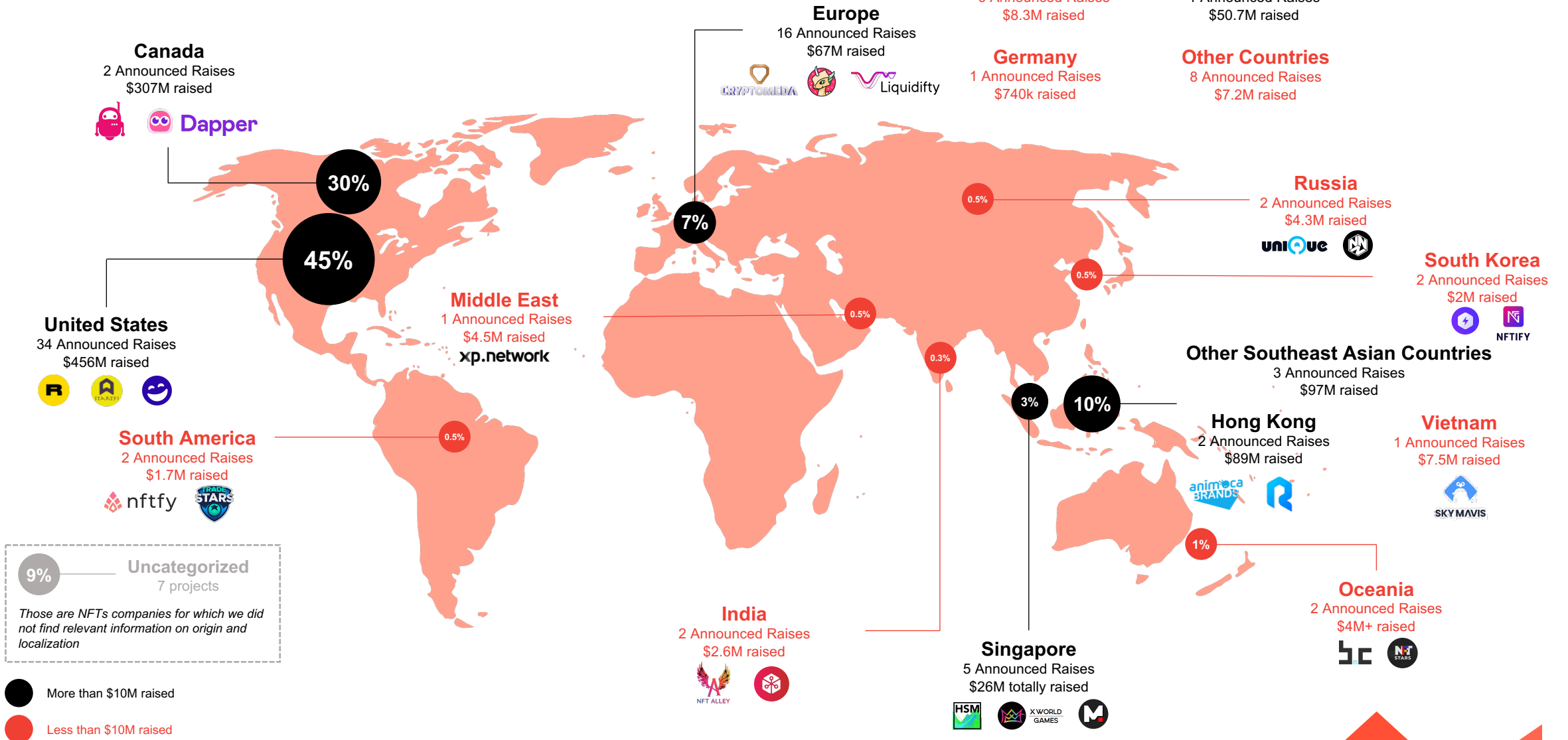
Other Investors: (01.ADVISORS), 1kx, coinbase Ventures, PARAFI CAPITAL

*Series B and beyond rounds are considered late stage

NFTs | Geography



Europe's NFTs fundraising market is surprisingly small compared to the US and Asia



9% Uncategorized
7 projects

Those are NFTs companies for which we did not find relevant information on origin and localization

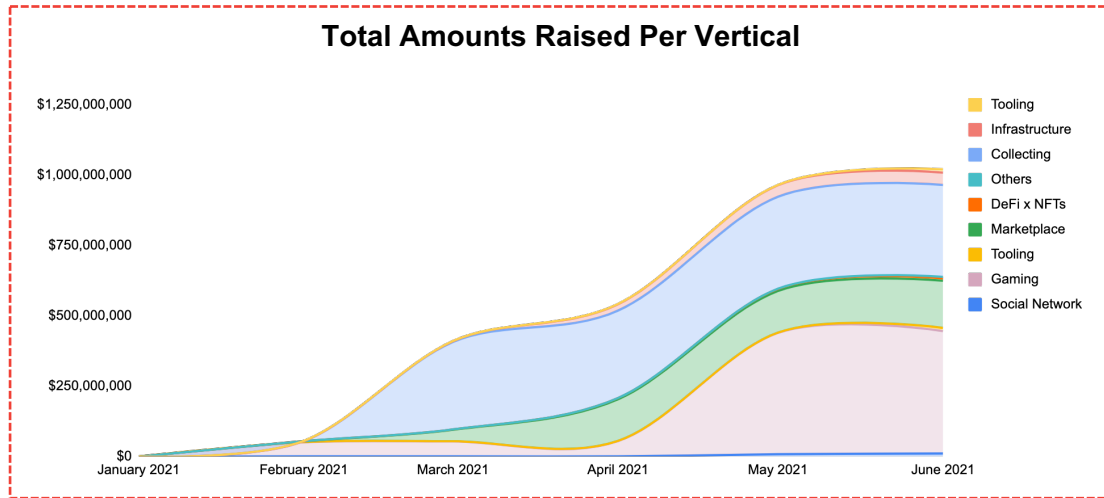
*Percentages represent the split in dollars

Most of the capital deployed towards NFTs projects has been focused on Marketplaces and Games

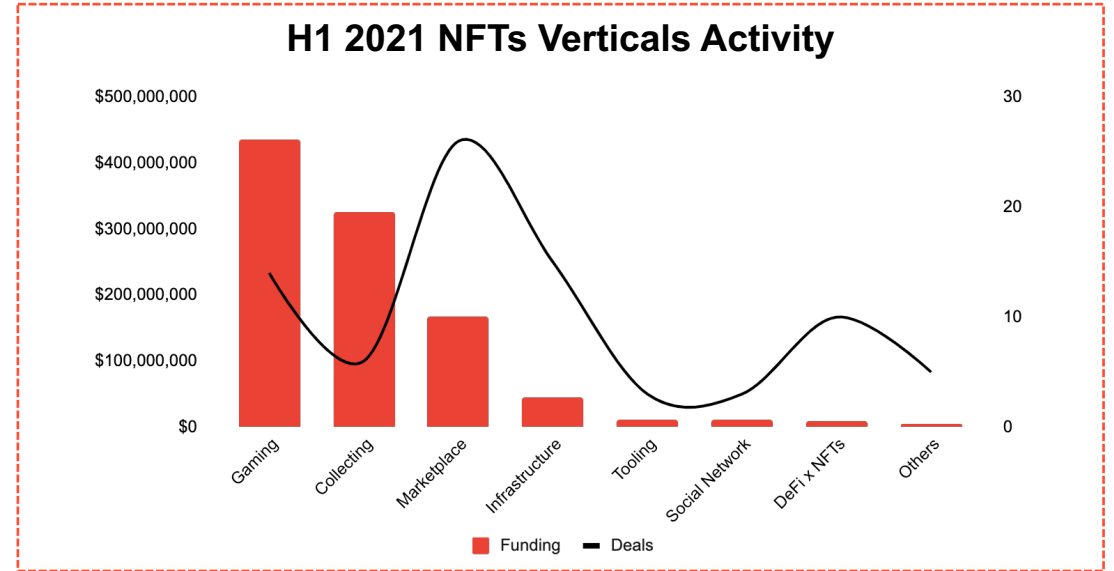
Gaming | **Collecting**

14 rounds | **\$435M** raised

6 rounds | **\$327M** raised



*Many use cases can overlap (e.g. Collecting/Marketplace) — the project's focus has been picked to categorize it



Focus on Animoca Brands' Activity

Animoca Brands develops and publishes mobile games and products based on popular intellectual property. They received \$89M in fresh capital in May 2021 from SNZ Holding, Liberty City Ventures, Metapurse, Kingsway Capital, Huobi Capital, and others.

But it is also an active investor with 15+ investments made.

Focus on the DeFi x NFTs category

Several teams are building at the intersection of DeFi and NFTs - an emerging and promising vertical.

- \$10M+ have been raised, with noteworthy rounds:
- **Trace Network (\$1.6M)** — with participation from AU21 Capital, NGC Ventures, LD Capital, and others.
- **NFTBank (\$1.4M)** — with participation from Hashed, Digital Currency Group, and 1kx.



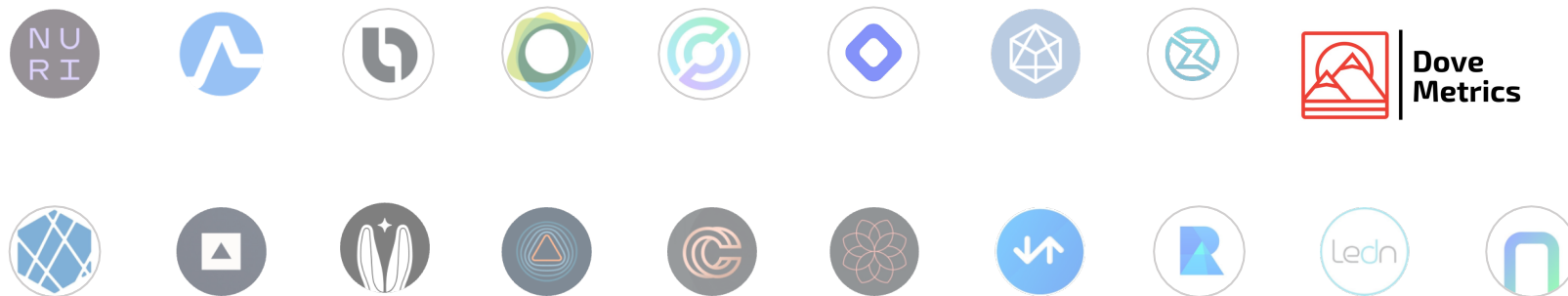
« The current fundraising environment in the NFT sector is extremely active. What is exciting about this environment is the diversity companies that are being formed. Art startups, gaming startups, virtual worlds startups, infrastructure, etc, There is a rush of talent entering the space that is being quickly funded by crypto-focused venture firms. »

Andrew Steinwold
Managing Partner at Sfermion

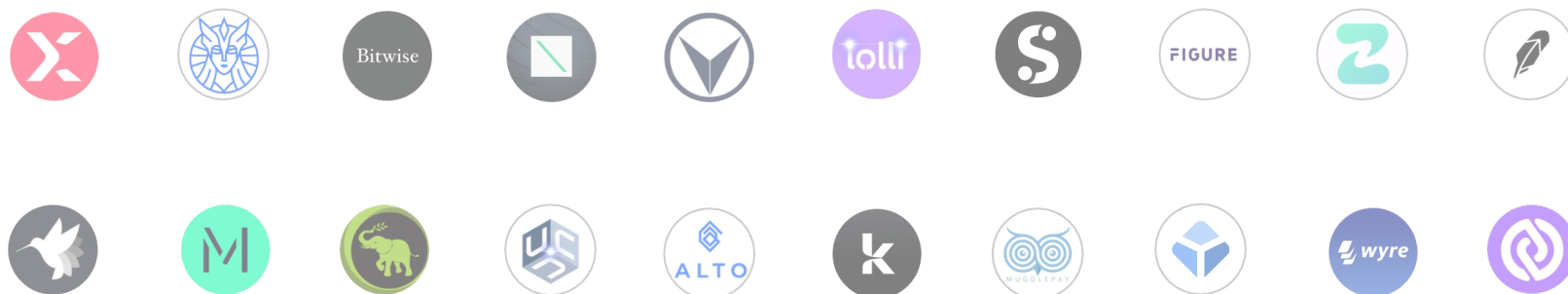
« NFT is crypto for normies and DeFi is crypto for elites. Hence why NFTs got on the mainstream radar much faster than DeFi and why the NFT space grew so quickly. »

Richard Chen
General Partner at 1confirmation

CeFi

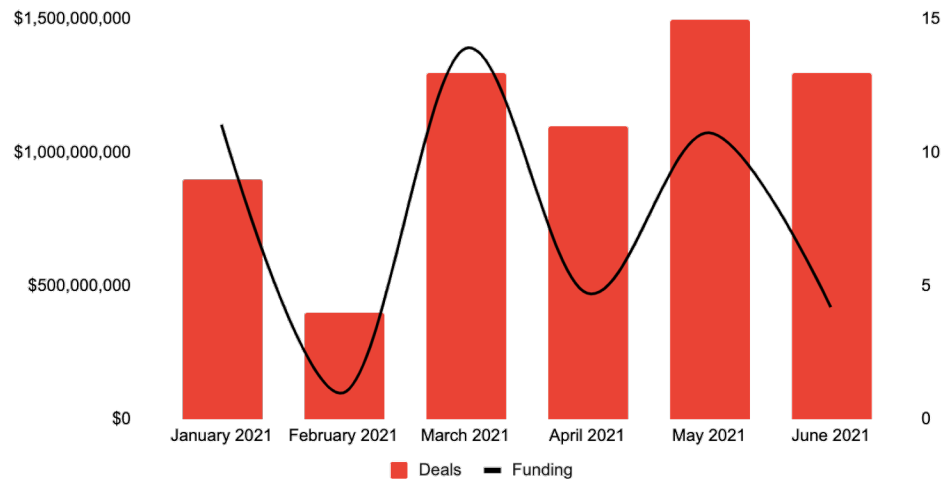


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1. Deal Activity
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 4. Verticals
-



\$4.6B+ raised & 72 deals announced: CeFi fundraising attracted by far the largest amount of fresh capital

H1 2021 CeFi Deal Activity



Focus on March 2021

Mega rounds contributed to the \$1.4B raised by CeFi companies in March:

- **BlockFi (\$350M)** — with participation from Bain Capital Ventures, Paradigm, ParaFi Capital, Jump Capital, Kenetic, CMS Holdings, and others.
- **Blockchain.com (\$300M)** — with participation from DST Global, Vy Capital, Lightspeed Venture Partners, Baillie Gifford, and others.
- **NYDIG (\$200M)** — with participation from Morgan Stanley, MassMutual, New York Life Insurance, Stone Ridge Asset Management, and others.
- **Fireblocks (\$133M)** — with participation from Stripes, Paradigm, and Galaxy Digital.
- **TaxBit (\$100M)** — with participation from Paradigm.

12%

CeFi fundraising rounds represent 12% of the crypto-related deals announced.

46%

CeFi fundraising rounds represent 46% of the total amount raised by crypto companies.

0.5

On average, 0.5 CeFi funding deals per working day were announced during H1 2021.

Focus on new the most active funds in CeFi

coinbase | Ventures

Coinbase Ventures
9 CeFi investments
Tesseract
Amber Group
Ledn

Paradigm

Paradigm
5 CeFi investments
Bitso
Fireblocks
BlockFi

DST
GLOBAL

DST Global
4 CeFi investments
Figure
Blockchain.com
Bitpanda



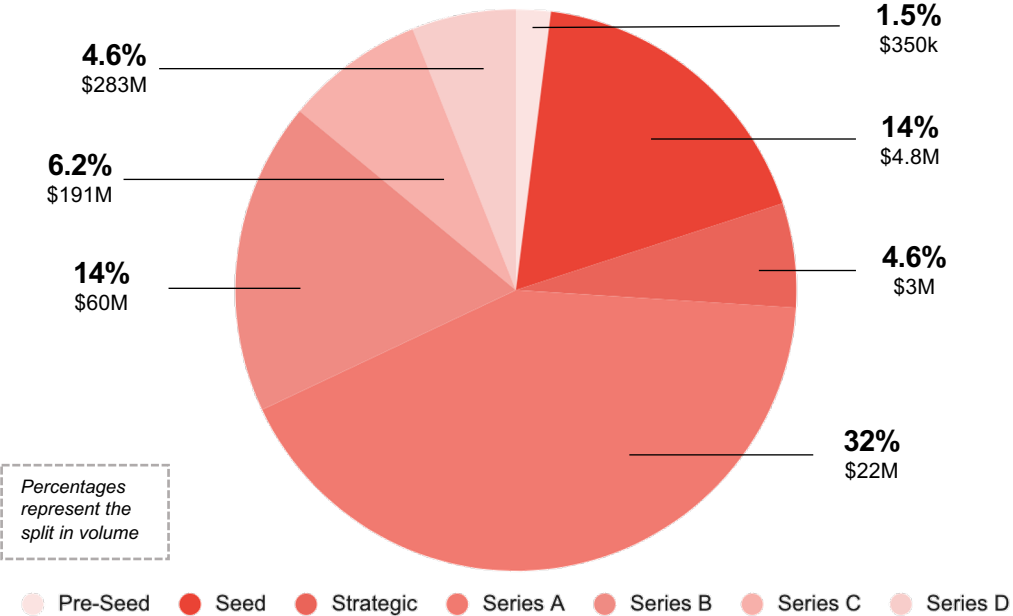
CMT Digital
4 CeFi investments
Rain
Ledn
FalconX

CeFi | Capital Across Stages

CeFi represents more than half of the crypto late-stage rounds



Stages Share of CeFi Funding Deals in H1 2021* & Average Amount Per Stage



*9% of the rounds are uncategorized because no relevant information was provided about the funding stage

\$64M

On average, a CeFi company raised \$64M per round in H1 2021.

51%

CeFi represents 51% of the blockchain-related late-stage* funding rounds.

Zoom on Circle's fundraising journey

After a Series A round back in October 2013, a Series B round in March 2014, Circle completed several funding rounds until a \$440M round in May 2021. They recently announced they would go public in a \$4.5B SPAC deal.

Investors:

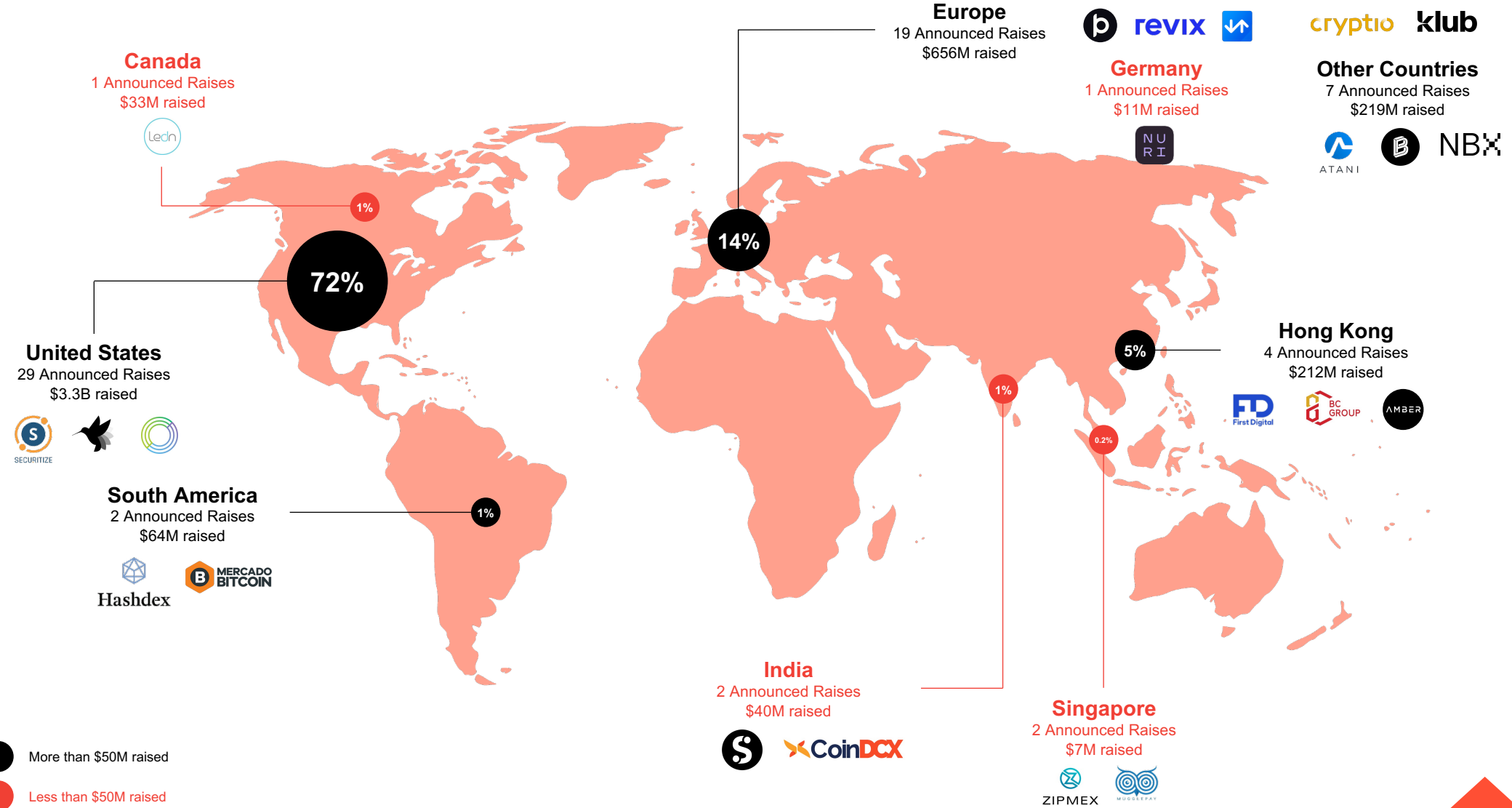


*Series B and beyond rounds are considered late stage

CeFi | Geography



The US and Europe almost leave no room for the rest of the world in the CeFi market



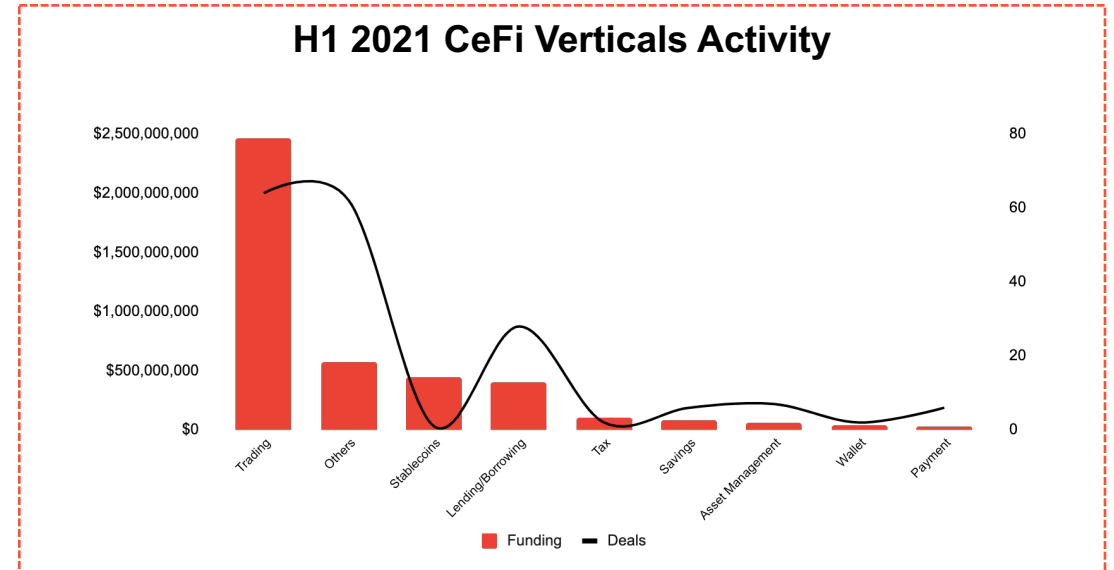
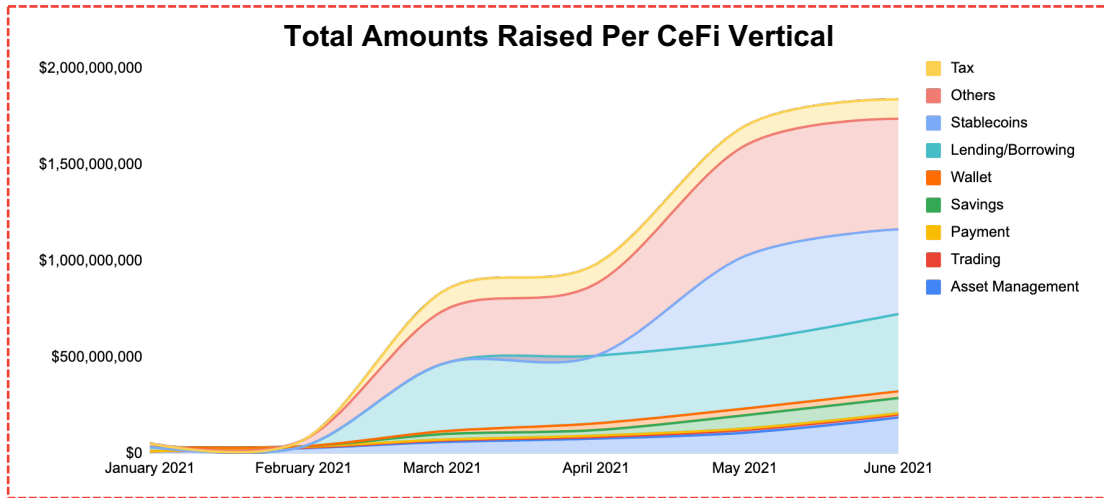
*Percentages represent the split in dollars

Trading dominated CeFi raises

Trading | **Stablecoins**

64 rounds | **\$2.5B** raised

1 round | **\$440M** raised



Focus on Pintu's round

Pintu is building an Indonesian crypto exchange, focused on first-time cryptocurrency buyers. They raised a \$6M Series A round in May, led by Pantera Capital, Intudo Ventures and Coinbase Ventures. Alameda Research, Blockchain.com Ventures, and Castle Island Ventures also participated in the round.

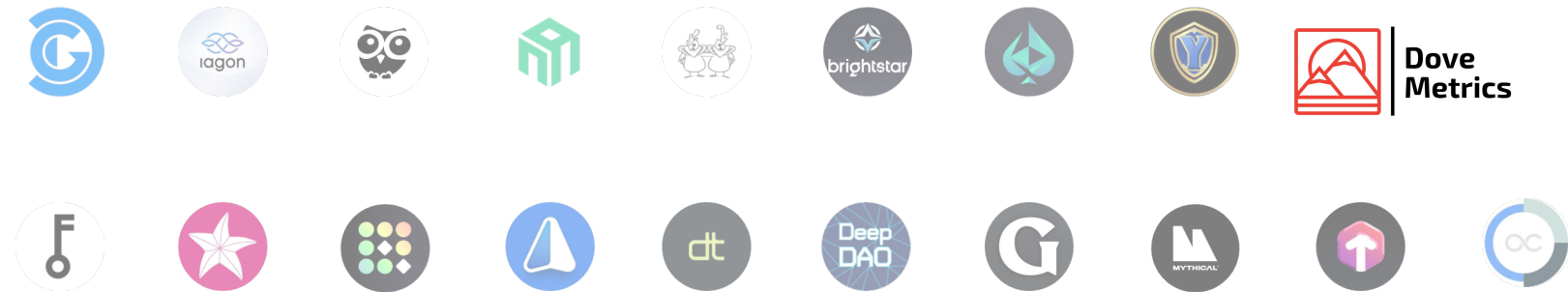
Focus on the Payment category

Projects building in the Payment vertical include:

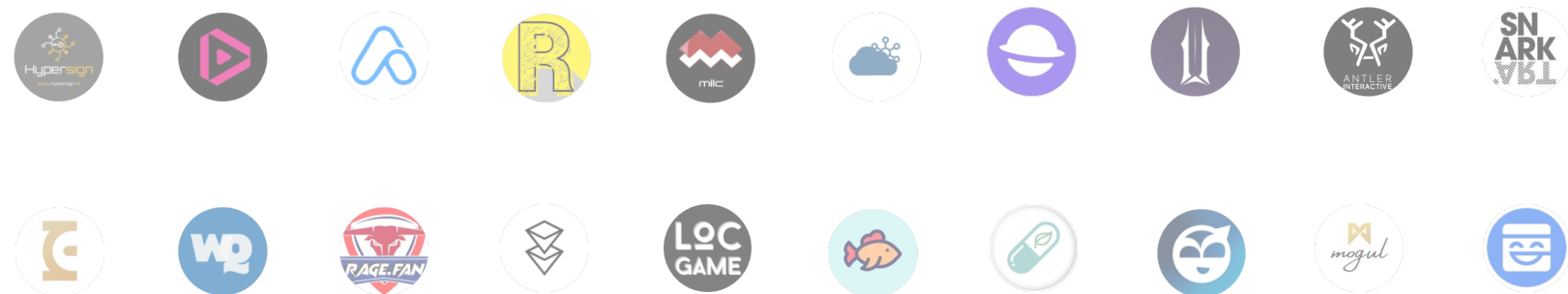
- Developing a wide variety of payment APIs
- Offering a fast, fraud-proof payments network
- Fiat-to-crypto payment gateways

It raised a total of \$24M with 6 deals.

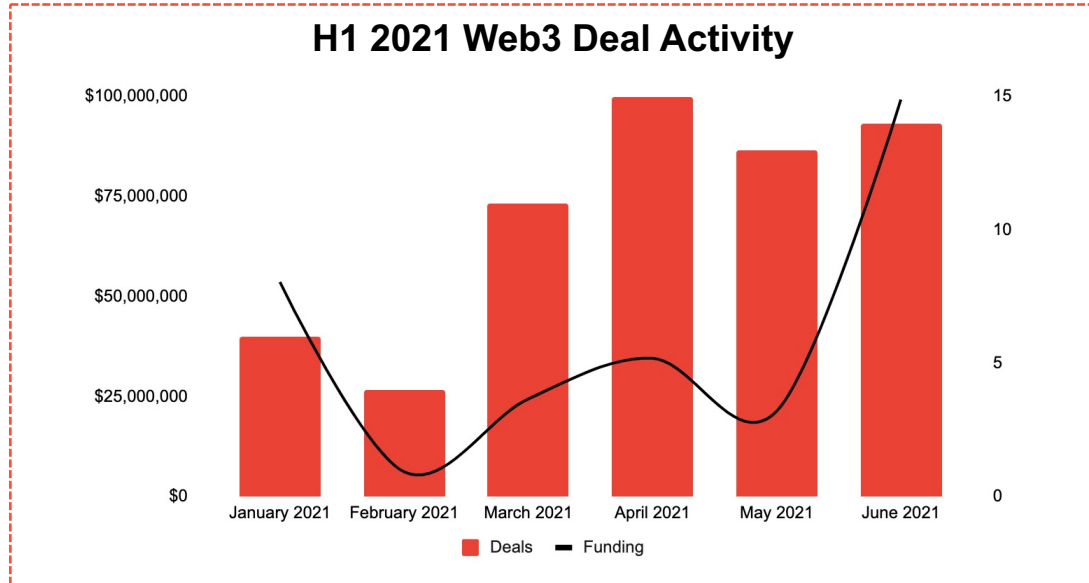
Web3



-
1. Deal Activity
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 4. Verticals
-




\$300M+ raised & 57 deals announced: Web3 is the smallest crypto category




Focus on June 2021

More than \$100M have been raised in Web3 in June 2021. Such a milestone can be explained by outlining some noteworthy funding rounds:


- **Mythical Games (\$75M)** — with participation from VaynerFund, Galaxy Digital, Javelin Venture Partners, Struck Capital, Alumni Ventures Group, and 01 Advisors.
- **Dtravel (\$5M)** — with participation from Kenetic, Future Perfect Ventures, DHVC, Plutus VC, GBV Capital, AU21 Capital, Shima Capital, LD Capital, and others.
- **Decentral Games (\$5M)** — with participation from Collab+Currency, Metaverse Ventures (a DCG company), GBV Capital, Bitscale Capital, Cluster Capital, ID Theory, and AU21 Capital.



Web3 fundraising rounds represent 10% of the crypto-related deals announced.







Web3 fundraising rounds represent 3% of the total amount raised by crypto companies.



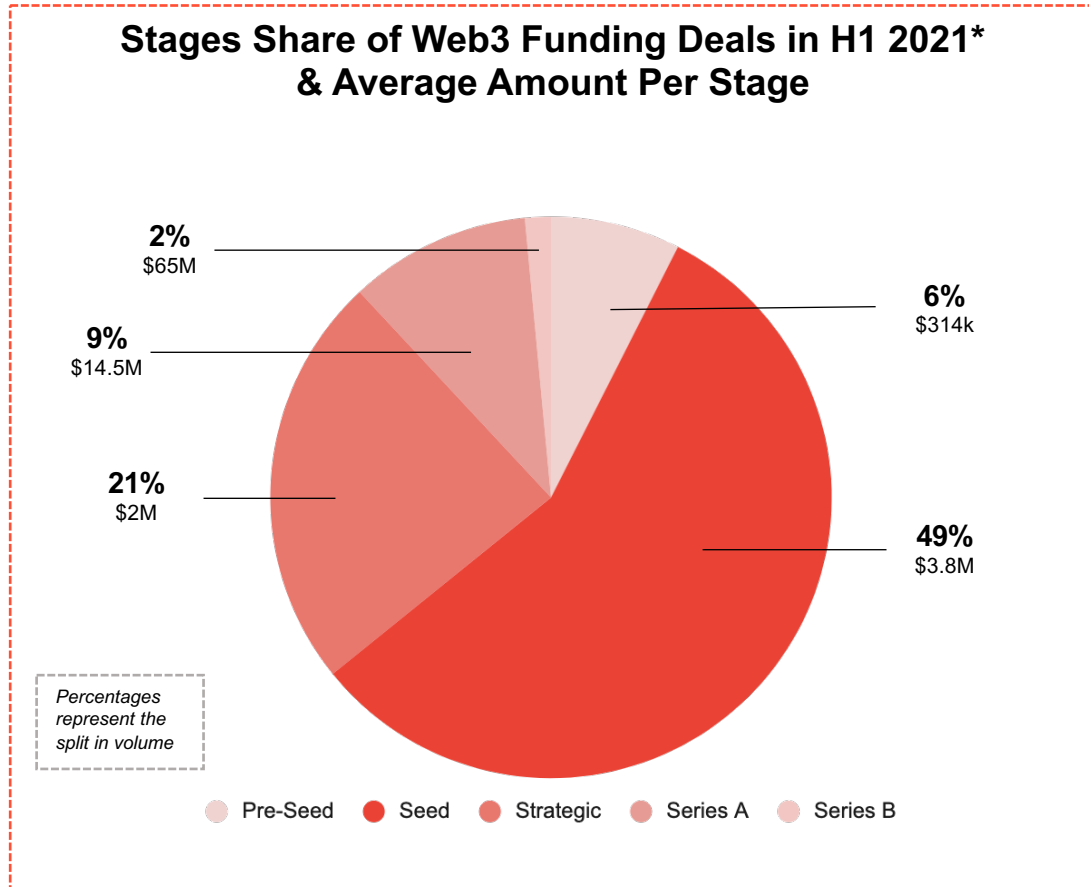
On average, 0.4 Web3 funding deals per working day were announced during H1 2021.

Focus on some leading funds doubling down on Web3

 <p>OKEx 6 Web3 investments iME SubDAO Dora Factory</p>	 <p>IDEO 3 Web3 investments Common Protocol Gitcoin Yield Guild Games</p>	 <p>Collab+Currency 4 Web3 investments Friends With Benefits Async Art Decentral Games</p>	 <p>CMS Holding 6 Web3 investments SubDAO Common Protocol The Dapp List</p>
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Web3 | Capital Across Stages

Only 1 late-stage round has been announced in the Web3 space



*9% of the rounds are uncategorized because no relevant information was provided about the funding stage

\$5.2M

On average, a Web3 company raised \$5.2M per round in H1 2021.


3%

Web3 represents 3% of the blockchain-related late-stage* funding rounds.


Focus on Maps.me fundraising journey

After a Seed Round back in 2013, Maps.me — which is building an offline mobile app with DeFi features for travelers — raised a \$50M strategic round in January 2021.

Lead Investors:



Other Investors:

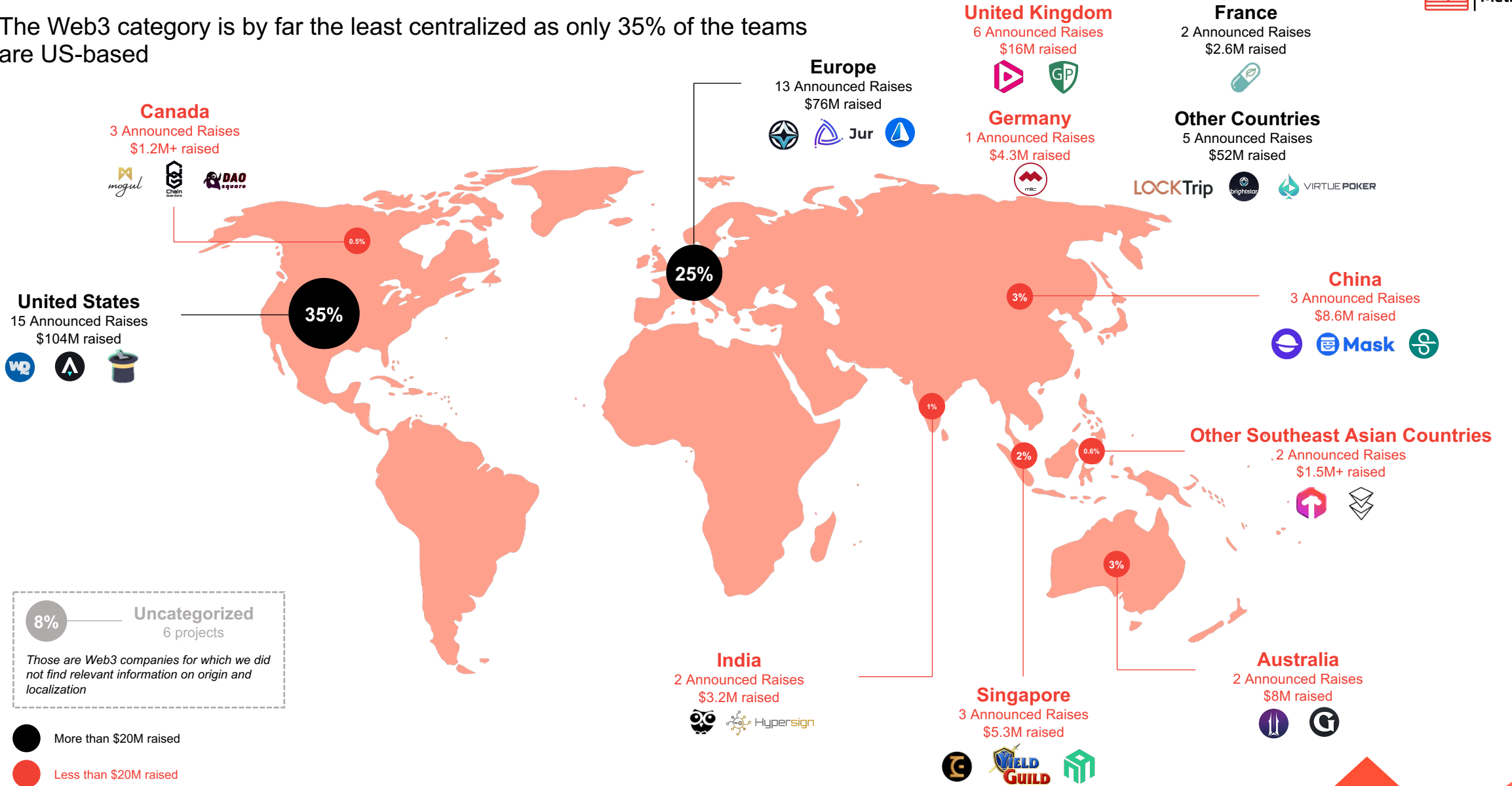


*Series B and beyond rounds are considered late stage

Web3 | Geography



The Web3 category is by far the least centralized as only 35% of the teams are US-based



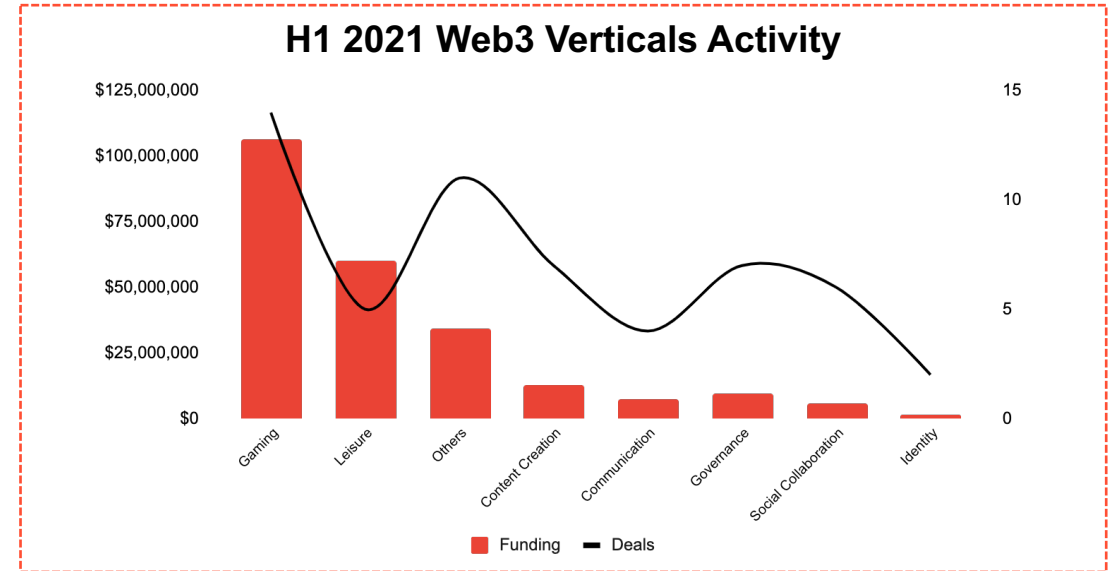
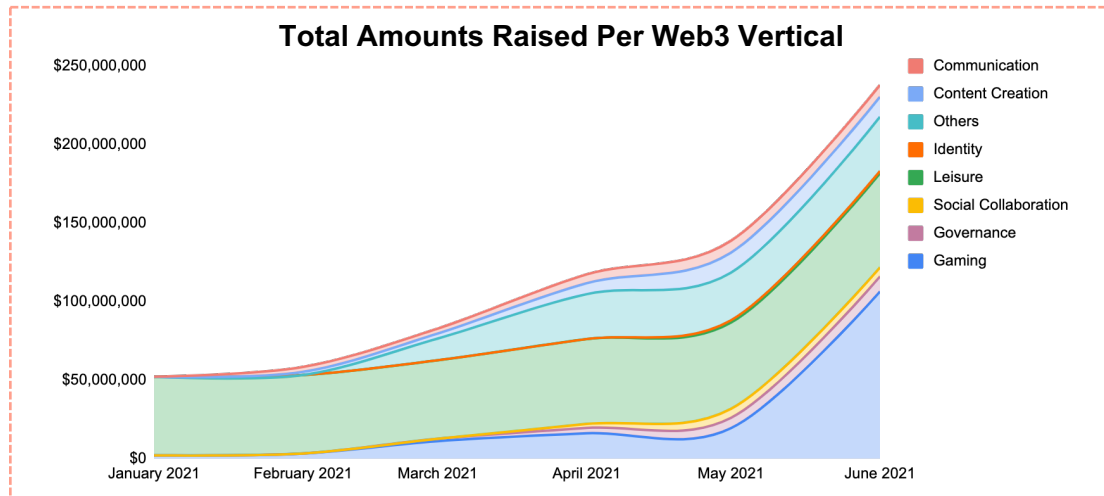
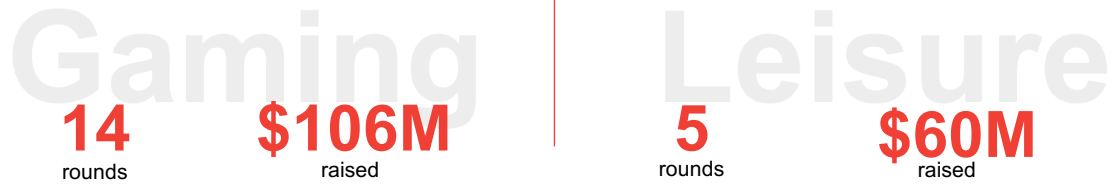
8% — **Uncategorized**
6 projects

Those are Web3 companies for which we did not find relevant information on origin and localization

● More than \$20M raised
● Less than \$20M raised

*Percentages represent the split in dollars

Gaming and Leisure are the two main Web3 verticals that stand out



Focus on Friends With Benefits' round

Friends With Benefits is building a digital cornerstone between technology and culture communities. They diversified their treasury by bringing top investors on board — Divergence Ventures, Variant, Collab+Currency, Nascent, The LAO, Polychain Capital, MetaCartel Ventures, and Galaxy Interactive.

Focus on the Social Collaboration category

Projects building in the Payment vertical include:

- Developing a wide variety of payment APIs
- Offering a fast, fraud-proof payments network
- Fiat-to-crypto payment gateways

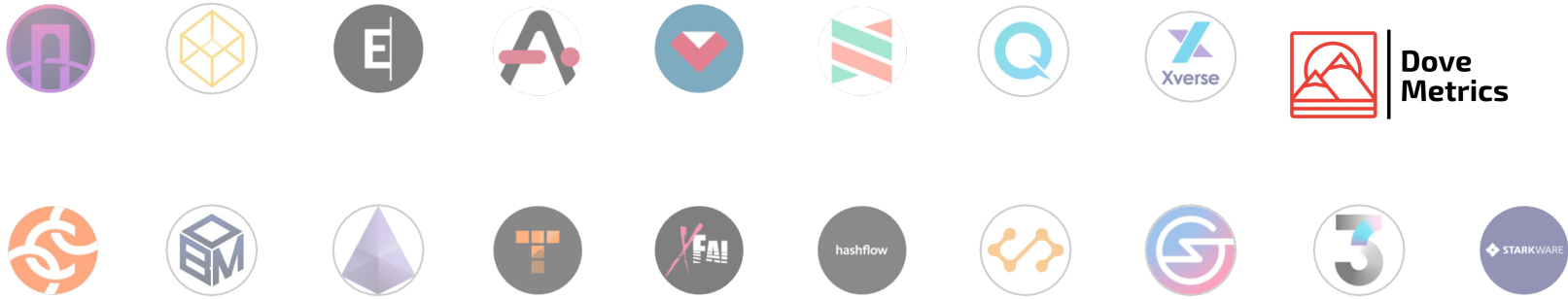
It raised a total of \$24M with 6 deals.



« In a few years time, we are going to look back on the first half of 2021 and recall two things: the rise of new layer 1s, and the NFT + Social token bubble (that will come roaring back at some point once PMF is found). The former is the more important of the two. Ethereum has been grappling with scaling challenges since inception. And they still haven't addressed them. In the first half of 2021, people started moving elsewhere, notable BSC and Polygon, both of which support copy-pasting EVM code, and neither of which inherit Ethereum's security. Meanwhile, the Solana ecosystem broke out without EVM support. This means that apps have to be rebuilt from the ground up, but also allows for massive performance gains. In the last 6 months, there has been an explosion in Solana based applications across all fronts: DeFi, social media, NFTs, and more. Multicoin Capital has already made 7 investments in the Solana ecosystem and are actively looking for more. »

Kyle Samani — Founder & CEO of Multicoin Capital

Infrastructure



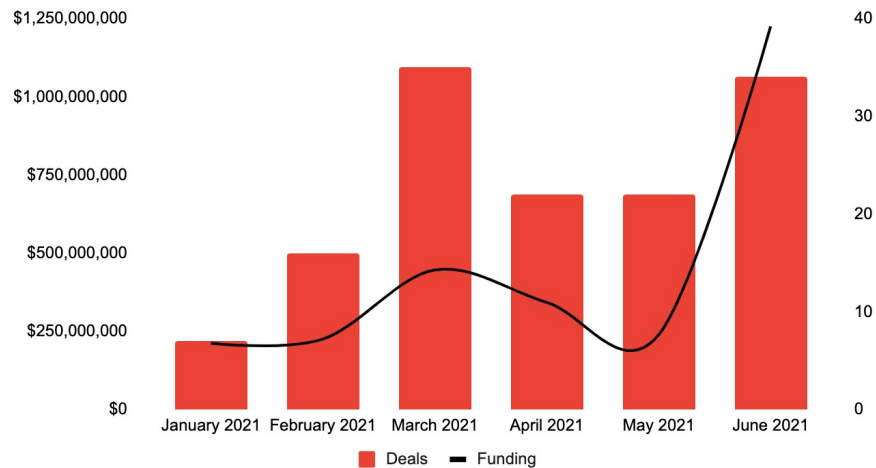
-
1. Deal Activity
 2. Stages Breakdown
 3. Geography Focus
 4. Verticals
-



Infrastructure | Deal Activity

\$2.7B+ raised & 136 deals announced: the Infrastructure fundraising landscape is still very much alive

H1 2021 Crypto Infrastructure Deal Activity



Focus on June 2021

More than \$1.2B have been raised in Infrastructure in June 2021. This is the biggest amount raised across all categories. Some noteworthy rounds:

- **Ledger (\$380M)** — with participation from 10T Fund, Felix Capital, Uphold, Tekne Capital, iAngels Technologies, and others.
- **Solana (\$314M)** — with participation from Andreessen Horowitz, Polychain Capital, Alameda Research, CMS Holdings, CoinShares, and others.
- **Stronghold Digital Mining(\$105M)** — with participation from MG Capital.
- **Chainalysis (\$100M)** — with participation from Coatue Management, Benchmark, Accel, Addition, 9Yards Capital, and others.

23%

Infrastructure fundraising rounds represent 23% of the crypto-related deals announced.

27%

Infrastructure fundraising rounds represent 27% of the total amount raised by crypto companies.

1

On average, 1 Infrastructure funding deals per working day were announced during H1 2021.

Focus on some traditional funds investing in Infrastructure



Bessemer
1 Infra. investment
Skynet Labs



Accel
1 Infra. investment
Chainalysis



NfX
2 Infra. investments
Ramp
Radicle

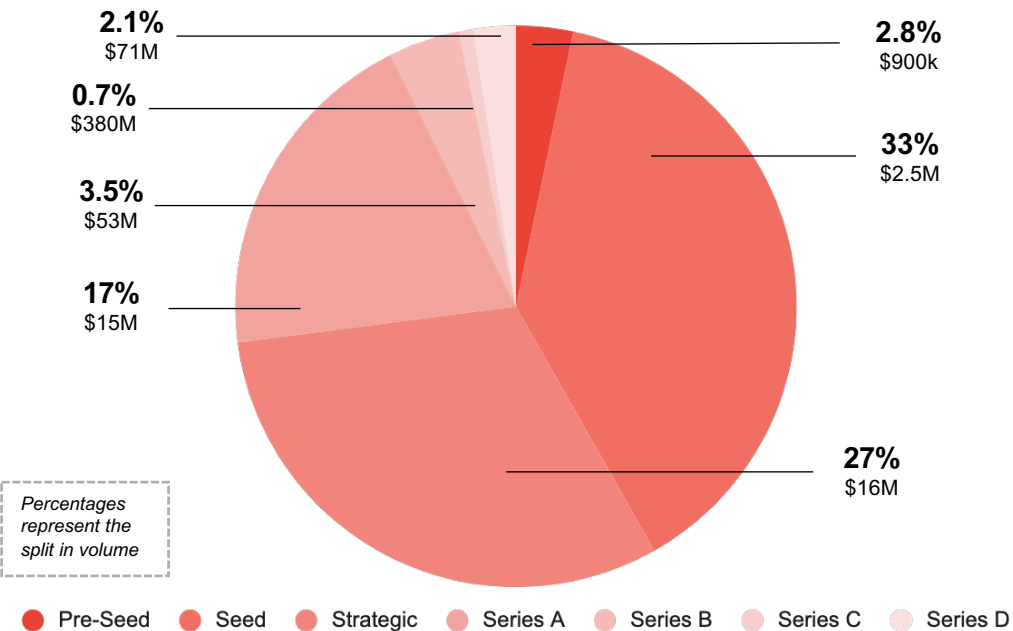


Founders Fund
1 Infra. investment
StarkWare

Infrastructure | Capital Across Stages

Infrastructure companies play a center role in the crypto late-stage fundraising ecosystem

Stages Share of Infrastructure Funding Deals in H1 2021* & Average Amount Per Stage



*9% of the rounds are uncategorized because no relevant information was provided about the funding stage

\$20M

On average, an Infrastructure company raised \$20M per round in H1 2021.

30%

Infrastructure represents 30% of the blockchain-related late-stage* funding rounds.

Focus on Solana's fundraising journey

After a Pre-Seed and a Seed round 2018, and a \$20M Series A round, Solana raised a huge \$314M private token sale round in June 2021:

Lead Investors:



Other Investors:



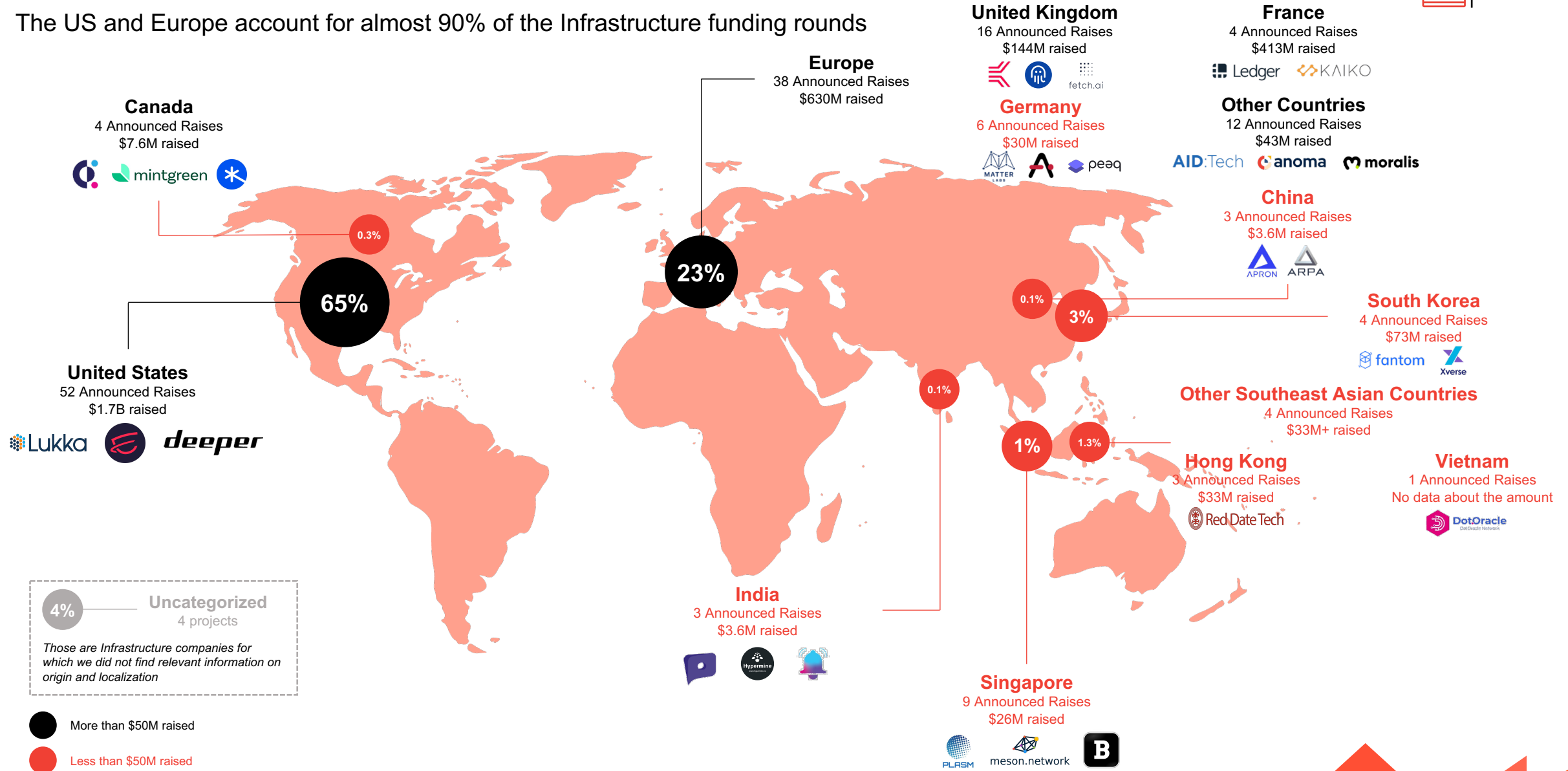
CoinFund

*Series B and beyond rounds are considered late stage

Infrastructure | Geography



The US and Europe account for almost 90% of the Infrastructure funding rounds



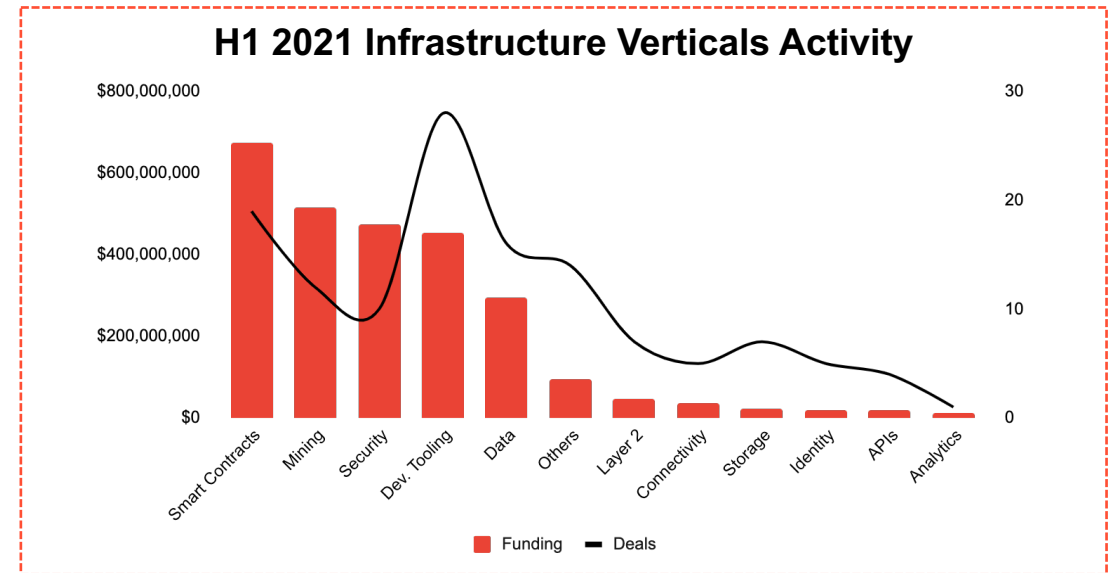
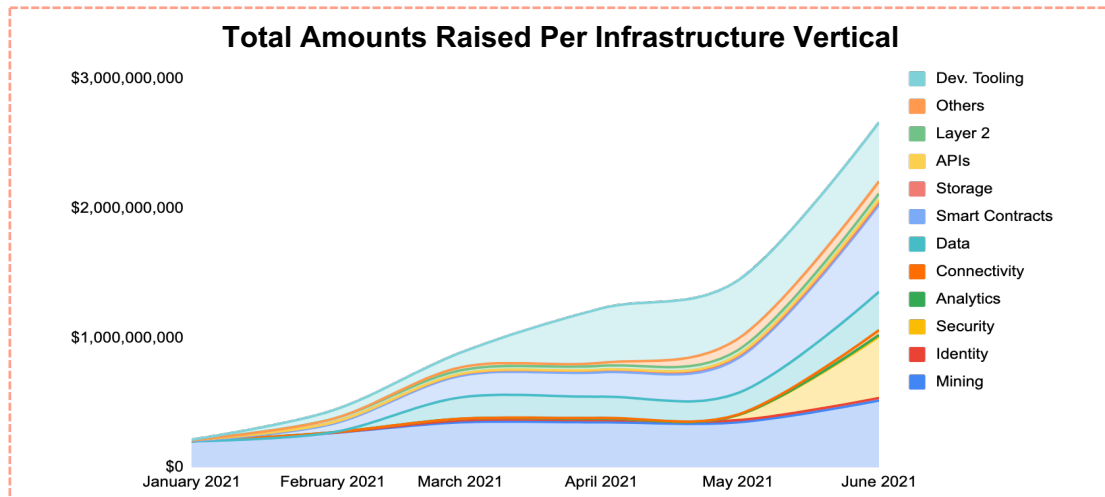
4% — **Uncategorized**
4 projects

Those are Infrastructure companies for which we did not find relevant information on origin and localization

● More than \$50M raised
● Less than \$50M raised

*Percentages represent the split in dollars

Smart contracts platforms and mining solutions are the most attractive Infrastructure subcategories



Focus on Chainanalysis' round

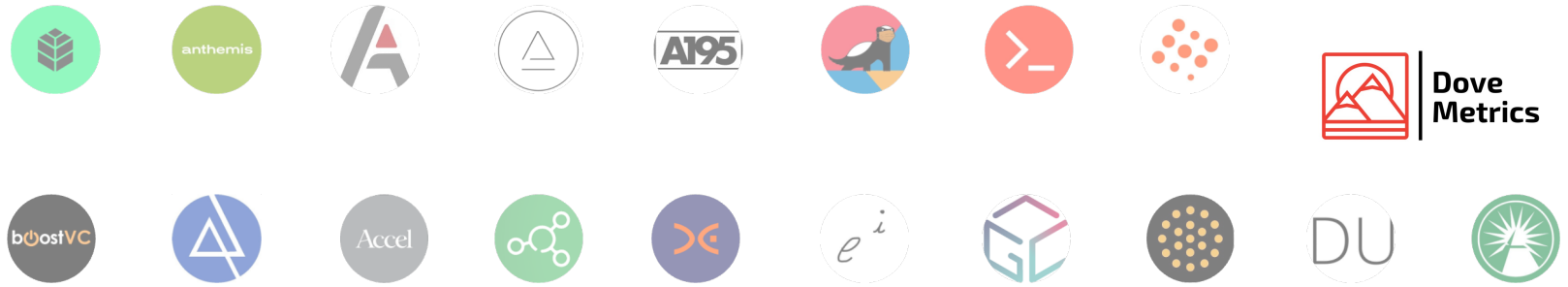
Chainanalysis provides blockchain data and analysis to governments, banks, and businesses worldwide. It raised a \$100M Series D round in March 2021, and a \$100M Series E round in June 2021. Lead investors were Paradigm and Coatue, perfectly symbolizing how traditional and crypto funds tier-1 funds are now collaborating at later stage.

Focus on the Mining category

Mining companies totally raised \$514M+ in H1 2021. Some of them are focused on being eco-friendly:

- **Blockcap (\$75M)** — with participation from Dragonfly Capital, Derek Hsue, Castle Island Ventures, Robot Ventures, General Mining Research, and others.
- **MintGreen** — with participation from Colin Sullivan, Kurt Melnychuk, and Jennifer Zee

Funds



-
1. Overview
 2. Geography
 3. Funding Flows
-



Europe and Asia are growing, but US funds are still leading the charge

Funds split across the world

1. United States

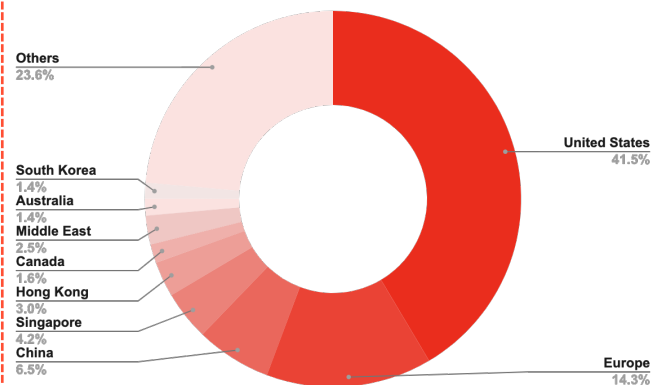
372 crypto-native funds **196** traditional funds

2. Europe

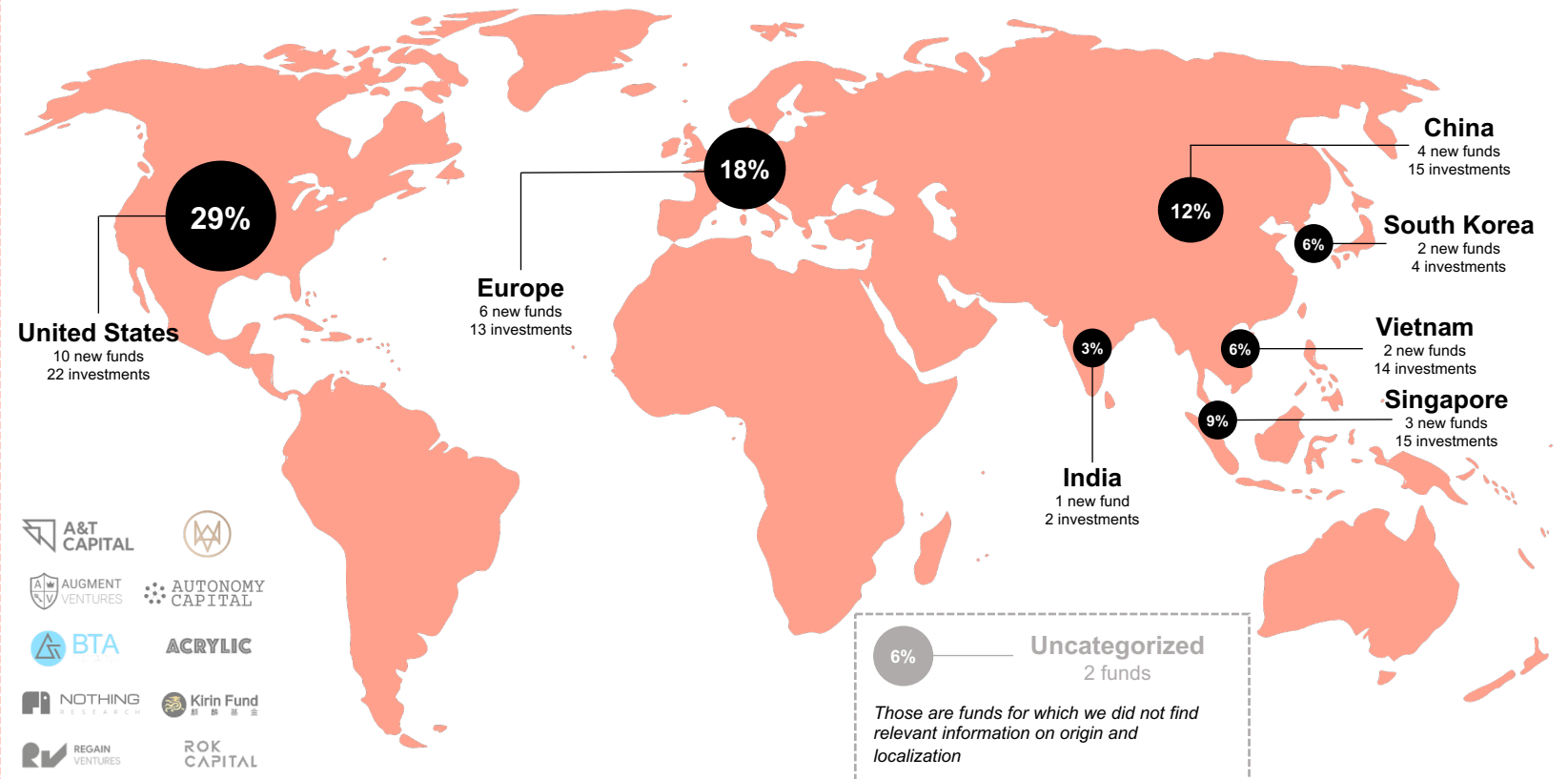
123 crypto-native funds **79** traditional funds

3. China

69 crypto-native funds **18** traditional funds

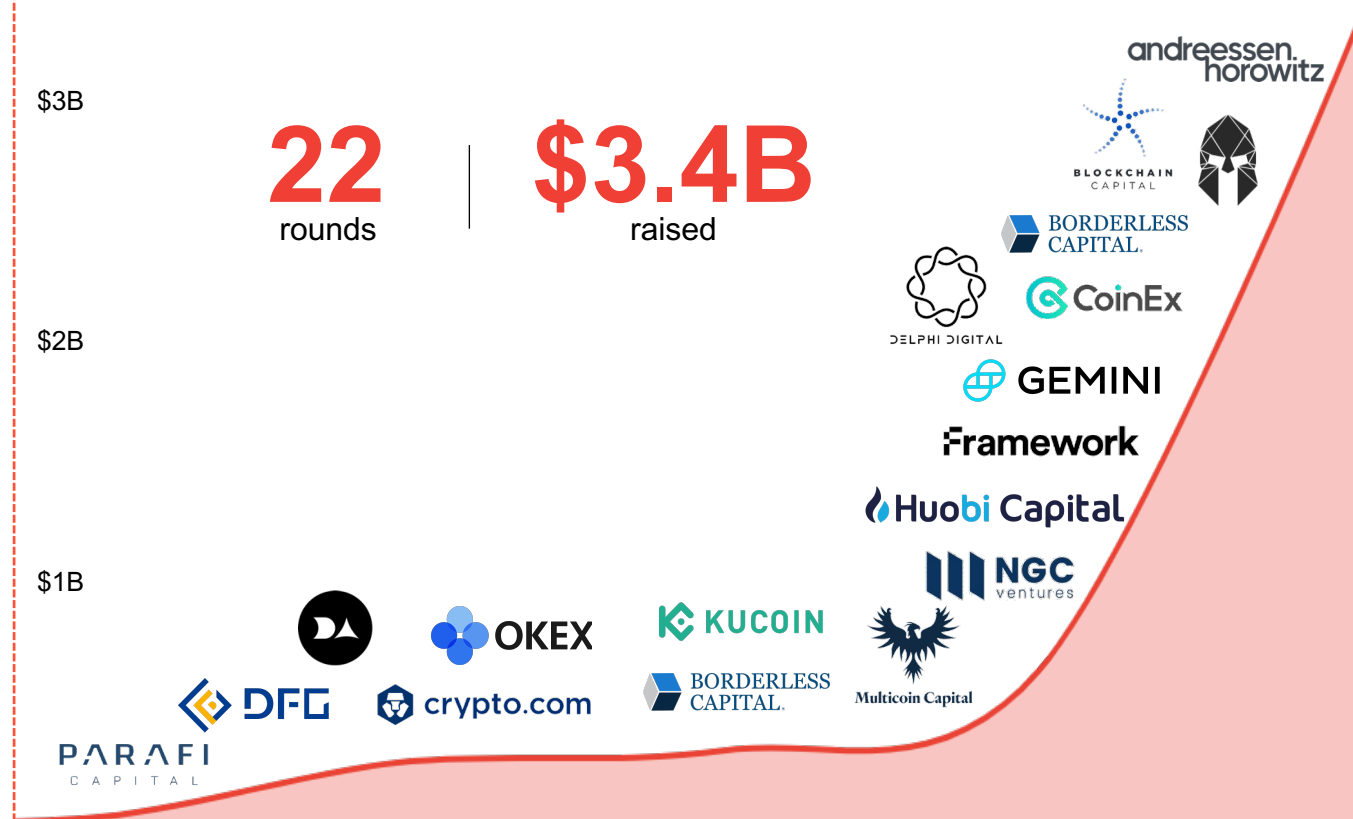


34 crypto-native funds entered the capital market



Crypto funds are getting larger and face competition from VC

Well-established firms announced new funds



Focus on traditional funds investing in crypto

There is no doubt that non-crypto native funds are more likely to participate in late-stage fundraising rounds. The average amount raised by crypto companies is \$68.5M when at least one traditional fund is involved — compared to \$27M when participants are crypto-focused funds only.

Lightspeed Blockchain.com, Parallel Finance, DeversiFi	Goldman Sachs AXONI, HQLA, CM, BLOCKDAEMON, bottlepay	COATUE Chainalysis, Fireblocks, alchemy, Bitso
Ribbit Capital Fireblocks, COINSWITCH, FIGURE	DST GLOBAL bitpanda, Blockchain.com, FIGURE	TIGERGLOBAL COINSWITCH, Bitso, copper, AMBER

« Even on the heels of the recent drawdown through Q2, crypto focused venture hasn't slowed down a bit. Fresh capital across a myriad of crypto-native funds coupled with traditional funds entering crypto in earnest again has resulted in larger rounds at higher valuations with most credible teams having no trouble raising in a matter of weeks. The interesting knock-on effect of this for legacy companies and protocols is the opportunity cost for top talent to not leave and start something new is high. While difficult for teams dealing with this, I believe it's a net positive for the ecosystem generally, much like the days of big tech mafias up-leveling products and services in nascent sectors like FinTech. »

Clay Robbins — Principal at Slow Ventures



« Aside from Australia, the general language, cultural, and context barrier had generally played to APAC projects' disadvantage when it comes to #DeFi specific initiatives, whereby more promising upstarts emerge out of broader CeFi, infrastructure, and Web3 (NFT, Gaming, etc) areas. The number of me-tooos are generally abundant and are generally paired with shorter-term local funds, whereby a local cadre of non-DeFi, experience-oriented, app-centric projects start to take hold — I suspect this latter group will be the bright spot going forward. »

MapleLeafCapital

Canada
17 crypto-native funds
9 traditional funds



United States
372 crypto-native funds
196 traditional funds



Brazil
8 crypto-native funds
4 traditional funds

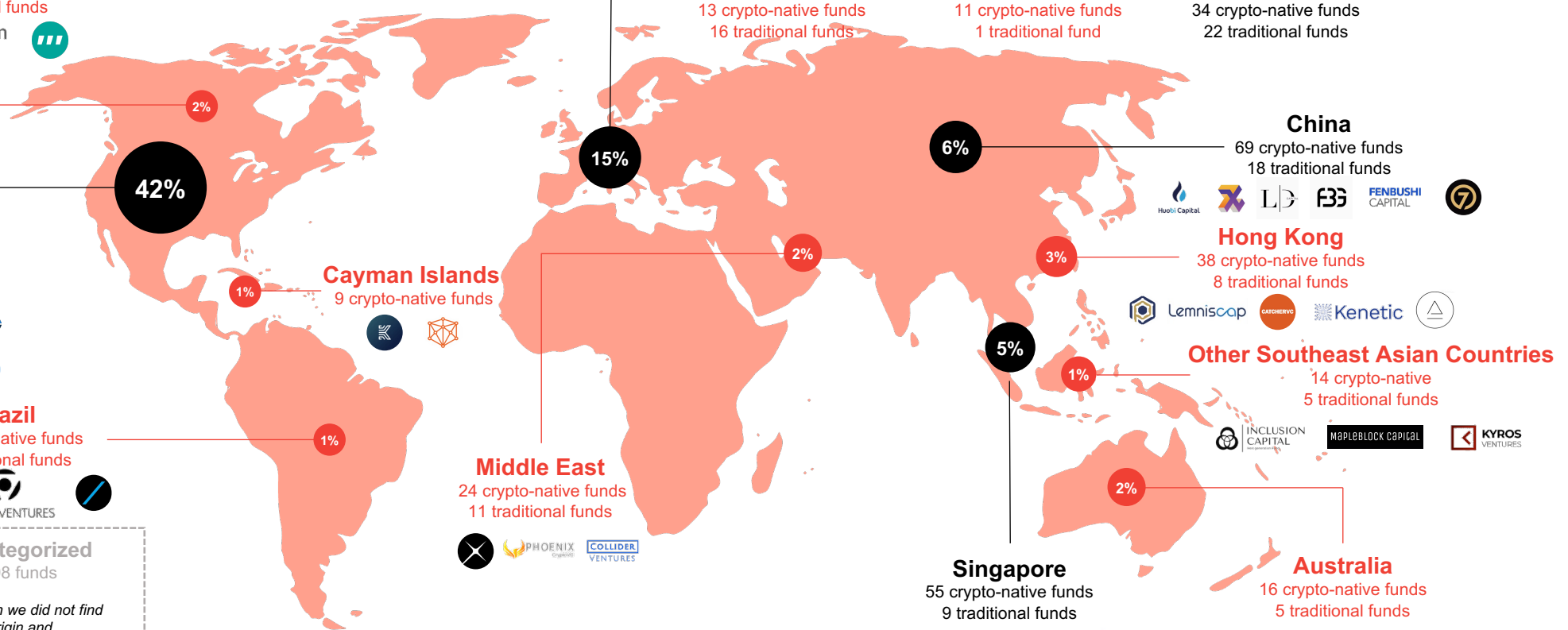


Uncategorized
14%
198 funds

Those are funds for which we did not find relevant information on origin and localization

Are excluded: funds with less than no investment in H1 2021, DAOs, Angels and DeFi protocols.

● More than 50 funds in total ● Less than 50 funds in total



Europe
123 crypto-native funds
79 traditional funds



United Kingdom
47 crypto-native funds
22 traditional funds

Germany
13 crypto-native funds
16 traditional funds

France
2 crypto-native funds
8 traditional funds

Netherlands
11 crypto-native funds
1 traditional fund

Switzerland
16 crypto-native funds
10 traditional funds

Other Countries
34 crypto-native funds
22 traditional funds

China
69 crypto-native funds
18 traditional funds



Hong Kong
38 crypto-native funds
8 traditional funds



Other Southeast Asian Countries
14 crypto-native
5 traditional funds



Middle East
24 crypto-native funds
11 traditional funds



Singapore
55 crypto-native funds
9 traditional funds

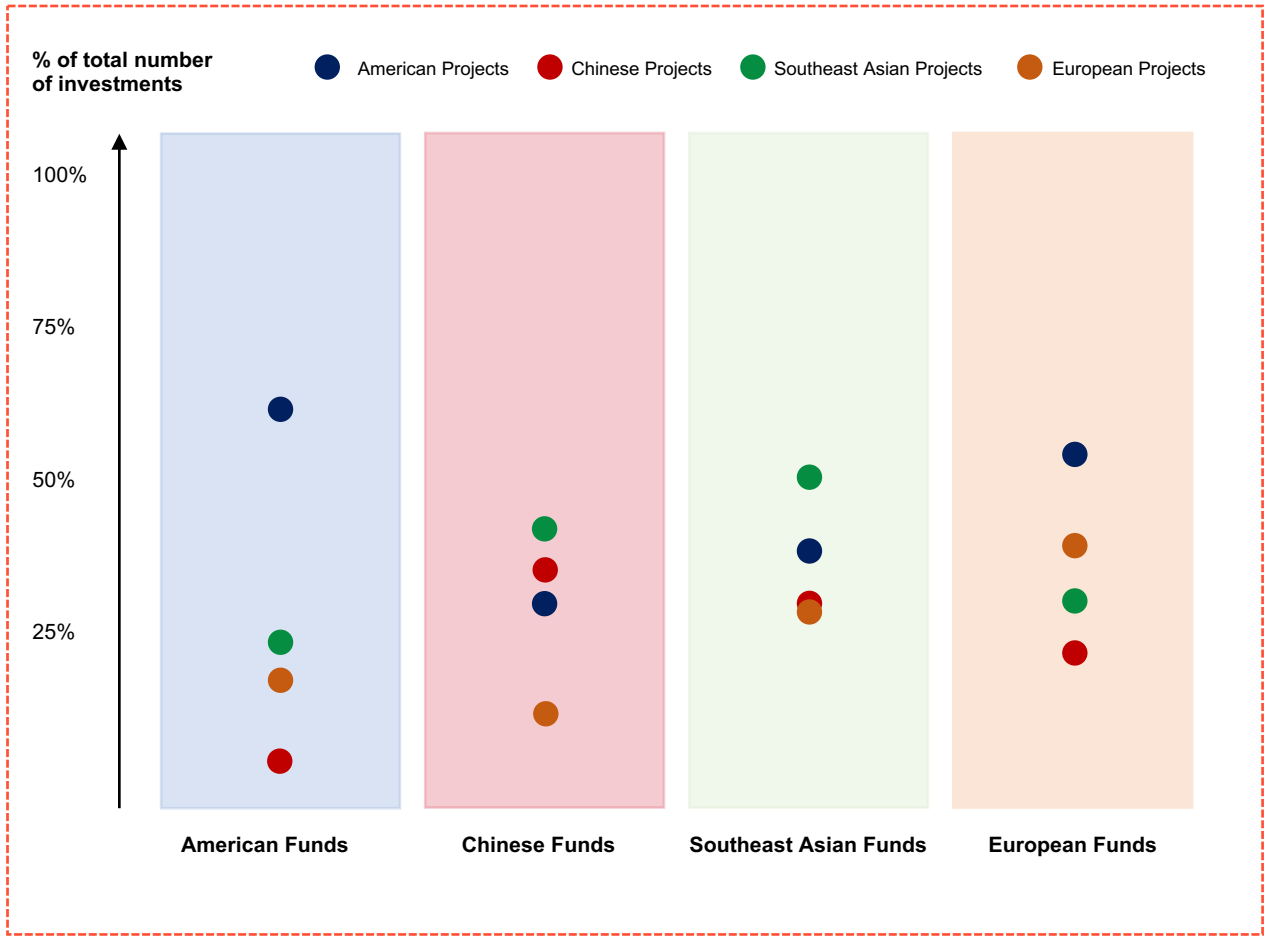


Australia
16 crypto-native funds
5 traditional funds



Funds | Funding Flows

The United States are far ahead while China receives very little funding from American funds



- **US-based funds** mainly invest in home-based projects, with 62% of their investments towards US companies
- **Europe** is catching up as more and more European-based quality projects are funded by European funds
- **Southeast Asian funds** deploy 51% of their capital towards home-based projects, with Singapore and Hong-Kong leading the pack

« We see that the crypto venture scene in Europe is definitely upping their game on all levels. It seems to only be lagging in terms of size and consequently the number of projects they invest into. Flip side of this is that it forces European investors to be more diligent when allocating. We think this is an actually a good thing. »

Mathijs van Esch
Investment manager at Maven11 Capital

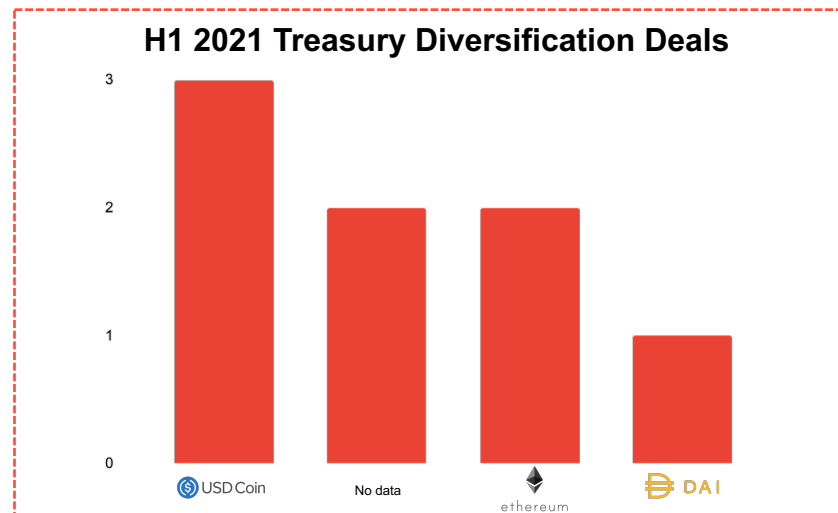
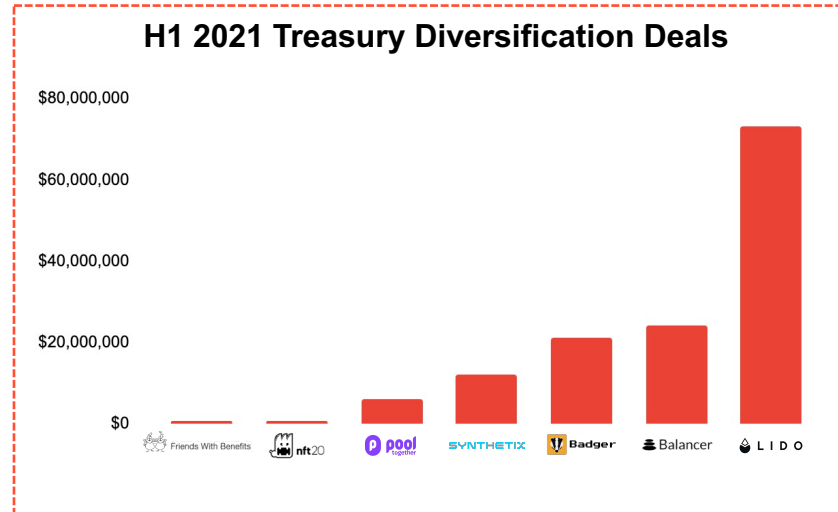


Ecosystem-Focused Flows

<p>SOLANA</p> <p>\$120M</p> <p>OKEX COIN98 VENTURES</p>	<p>polygon</p> <p>\$21M</p> <p>AU21 CAPITAL</p>	<p>Terra</p> <p>\$160M</p> <p>L1D LI Digital</p> <p>arrington XRP CAPITAL GALAXY DIGITAL LATTICECAPITAL</p> <p>BLOCKTOWER ACCOMPLICE COINFUND</p> <p>#HASHED MECHANISM CAPITAL PARAFI CAPITAL</p> <p>RBF ICONIUM and others</p>
<p>Algorand</p> <p>\$100M</p> <p>arrington XRP CAPITAL</p>	<p>Polkadot</p> <p>\$20M</p> <p>DFG</p>	

Alternative Funding Methods

8+ deals & \$160M+ raised: treasury diversification deals as a newcomer in the crypto funding space



Most Active Investors

with 2+ participations

Standard Deal Terms

Most used pricing mechanisms are:

- Applying a discount on a time-weighted average price
- Defining a fees stream multiple
- Taking the spot price

1-year cliff/1-year linear unlocking schedule have been the most common terms so far.

Advantages

Treasury diversification is relatively new but it has been going from a best practice to a real trend in H1 because it provides key benefits:

- Protection against a potential market downturn
- Bringing in long-term value-aligned investors, which can vote and draft governance proposals.

UMA's fundraising experimentations

Range Tokens

« A new treasury primitive that enables DAOs to access funds and diversify their treasury without directly selling their native tokens. Range tokens function as a loan a DAO can take against its own treasury — a sort of 'crypto native convertible debt.' »

The goal is to turn this into a primitive used by many DAOs to borrow against and diversify their treasury.

Success Tokens

« Success tokens provide a way for VC investors to buy tokens from a DAO that is more palatable to a tokenholder community but maintains proper upside alignment with the VCs. »

It offers an alternative way for DAOs to diversify their treasury. They believe this structure has the potential to become the standard way that venture investors do "Series B" deals with crypto projects.



Thank you!



Stay up to date on crypto fundraising news by signing up for Dove Metrics

