

Jan - Jun 2023

# VC INVESTMENT REPORT

First half of 2023

# Content

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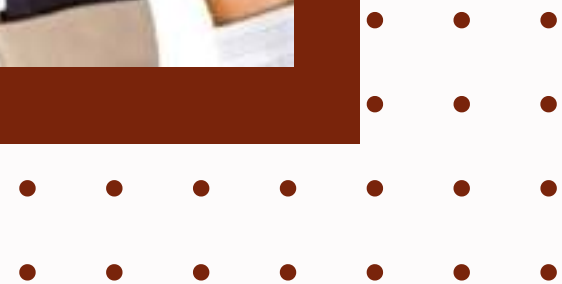
Objective

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Monthly Snapshot

03

Trends & Analysis





# OUR FOCUS

The primary emphasis of the report is on early-stage investments (prior to Series B round) in startups operating in the Web3 industry.

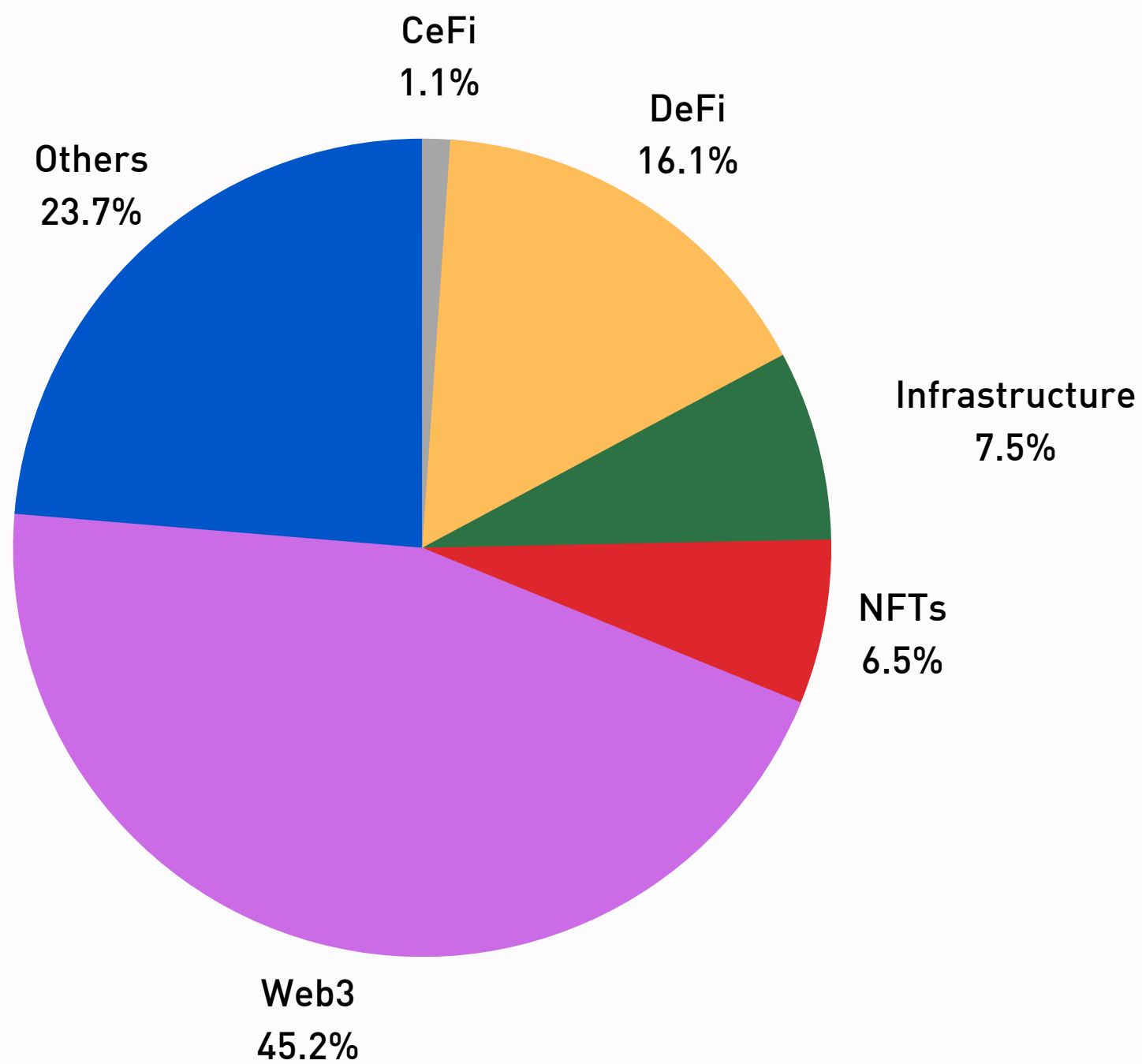


# MONTHLY SNAPSHOT



# January Statistic

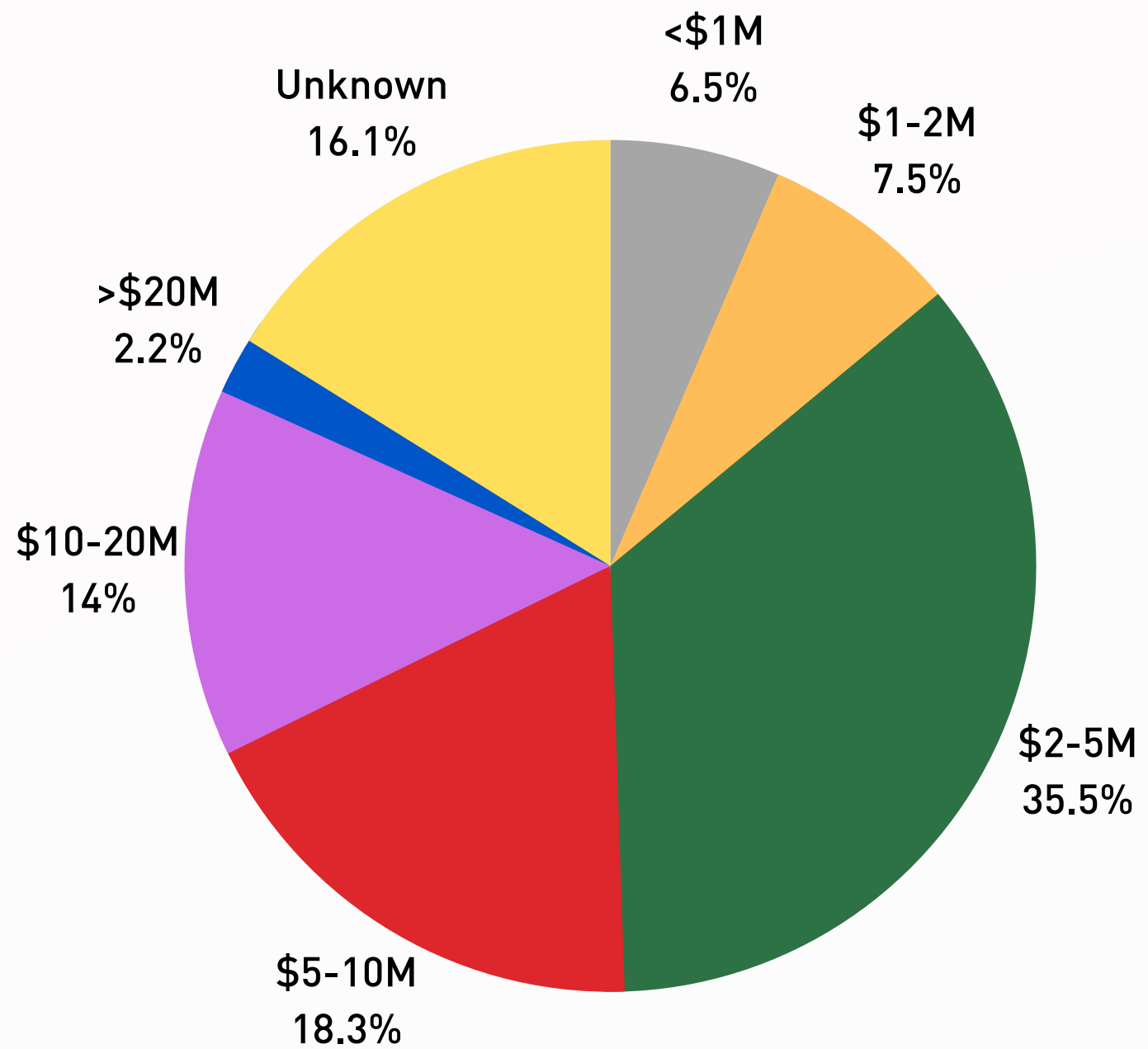
## Sector Focus



Total Deals	93
Web3	42
Others	22
DeFi	15
Infrastructure	7
NFTs	6
CeFi	1

# January Statistic

## Investment Range



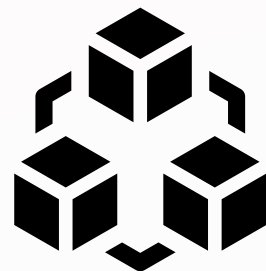
Below \$1M	6
\$1M - \$2M	7
\$2M - \$5M	33
\$5M - \$10M	17
\$10M - \$20M	13
Above \$20M	2
Unknown	15

# January Statistic

## Sum-Up

PLAI Labs builds a social platform to play, mint, socialize and create new content. It applies social media, game mechanics, and technology to build gaming products.

The company was founded in 2023 and is based in Culver City, California.

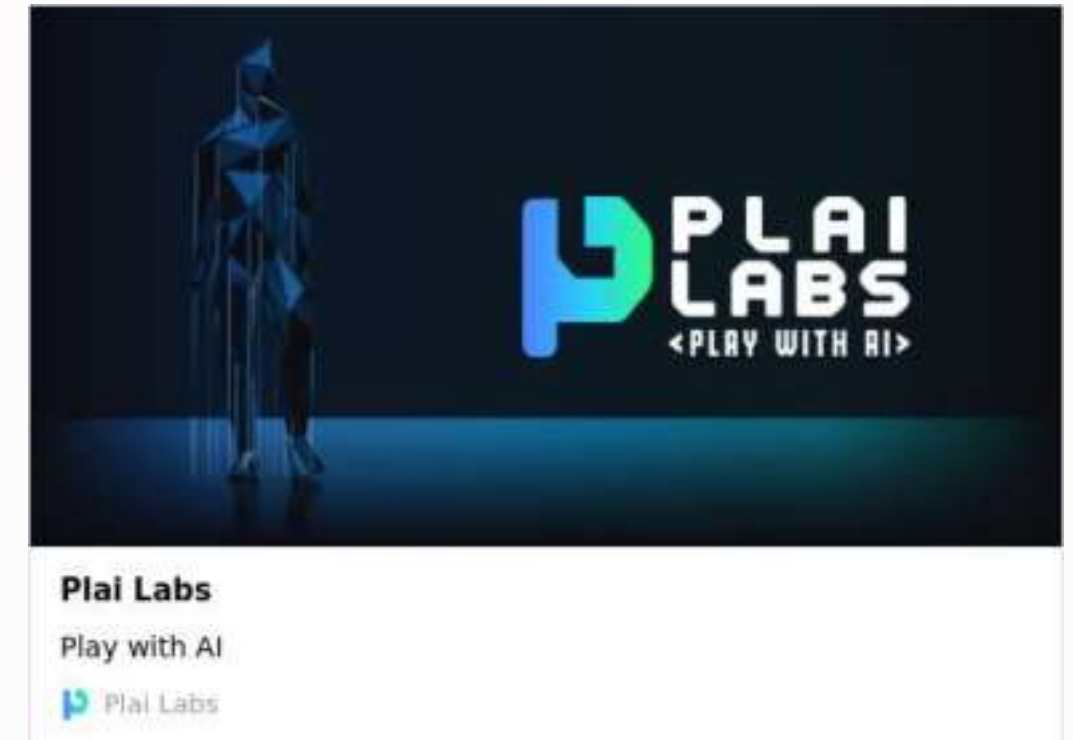


Win the **largest investment** with

**\$32M**

in **SEED ROUND**

Led by: Andreessen Horowitz



# January Statistic

## Sum-Up

### Largest **Infrastructure** investment

The Worlds Industrial Metaverse platform brings AI-based automation directly into the ground floor operations of large industrial companies. IoT sensors, people, and processes all come together inside a live digital twin that organizations can use to measure and reimagine their operations in ways that were previously impossible.



*Led by: Moneta Ventures*

**\$21M**

Extended **SERIES A**

### Largest **DeFi** investment

A leading trading technology firm in digital asset trading, infrastructure building, and market making. Utilizing the latest advancements in blockchain, deep learning, and financial engineering, the company's industrial-grade crypto finance infrastructure and extensive liquidity network connect assets in centralized finance (CeFi) venues and decentralized finance (DeFi) protocols, dedicated to enhancing the efficiency and infrastructure of the digital market.



*Led by: Foresight Ventures*

**\$15M**

**SERIES A**

### Largest **NFT** investment

Spanning across the US, Europe, and Asia, offers scalable technologies for the creation and interaction of digital identities and assets in virtual worlds. The US-based company was founded in 2021 by Evelyn Mora, a former digital & sustainability consultant for leading brands. Mora is also the founder of the sustainability-focused and fully digital Helsinki Fashion Week.



*Led by: L'ORÉAL'S Venture Capital*

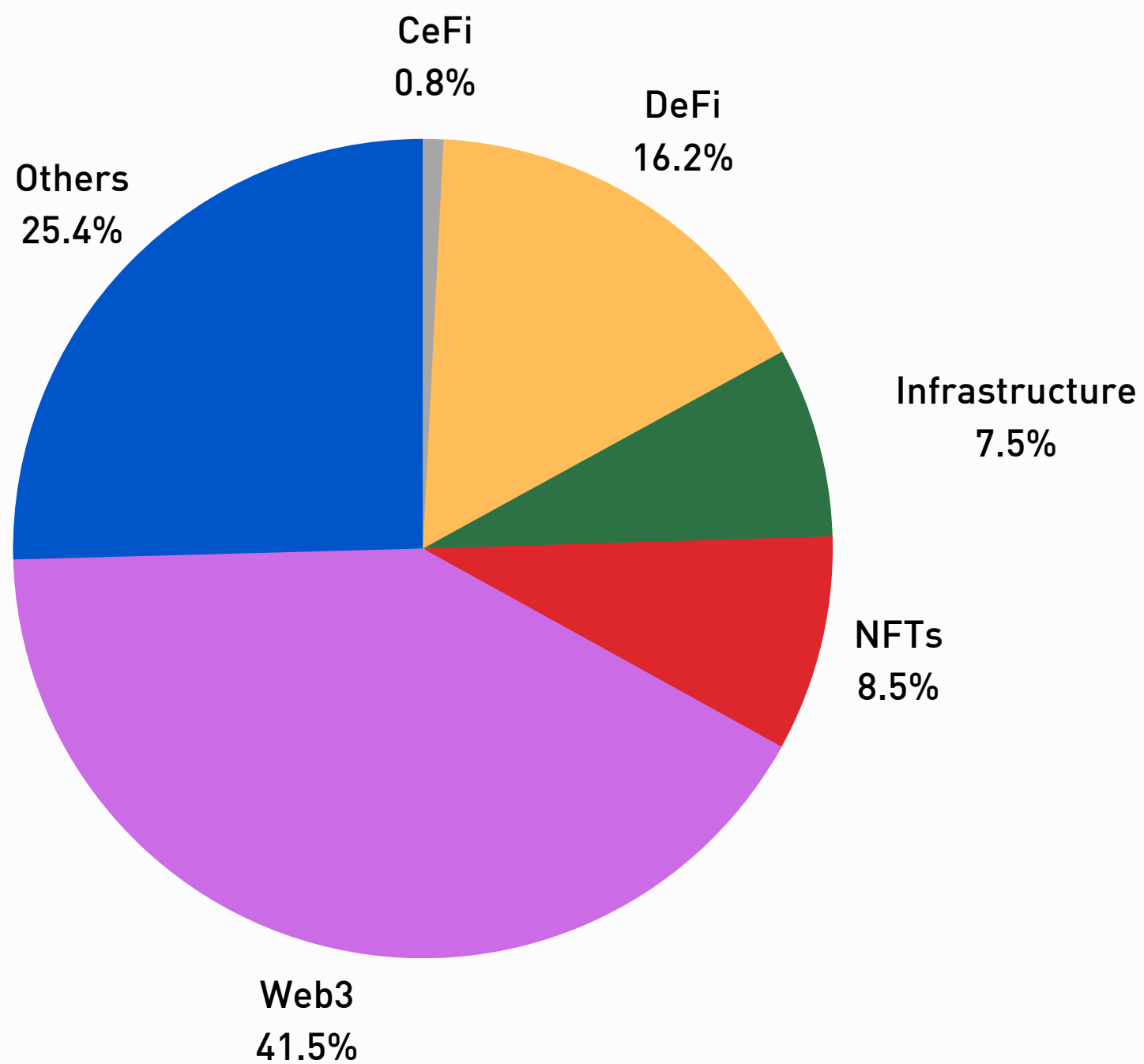
**\$4M**

**Equity Financing**



# February Statistic

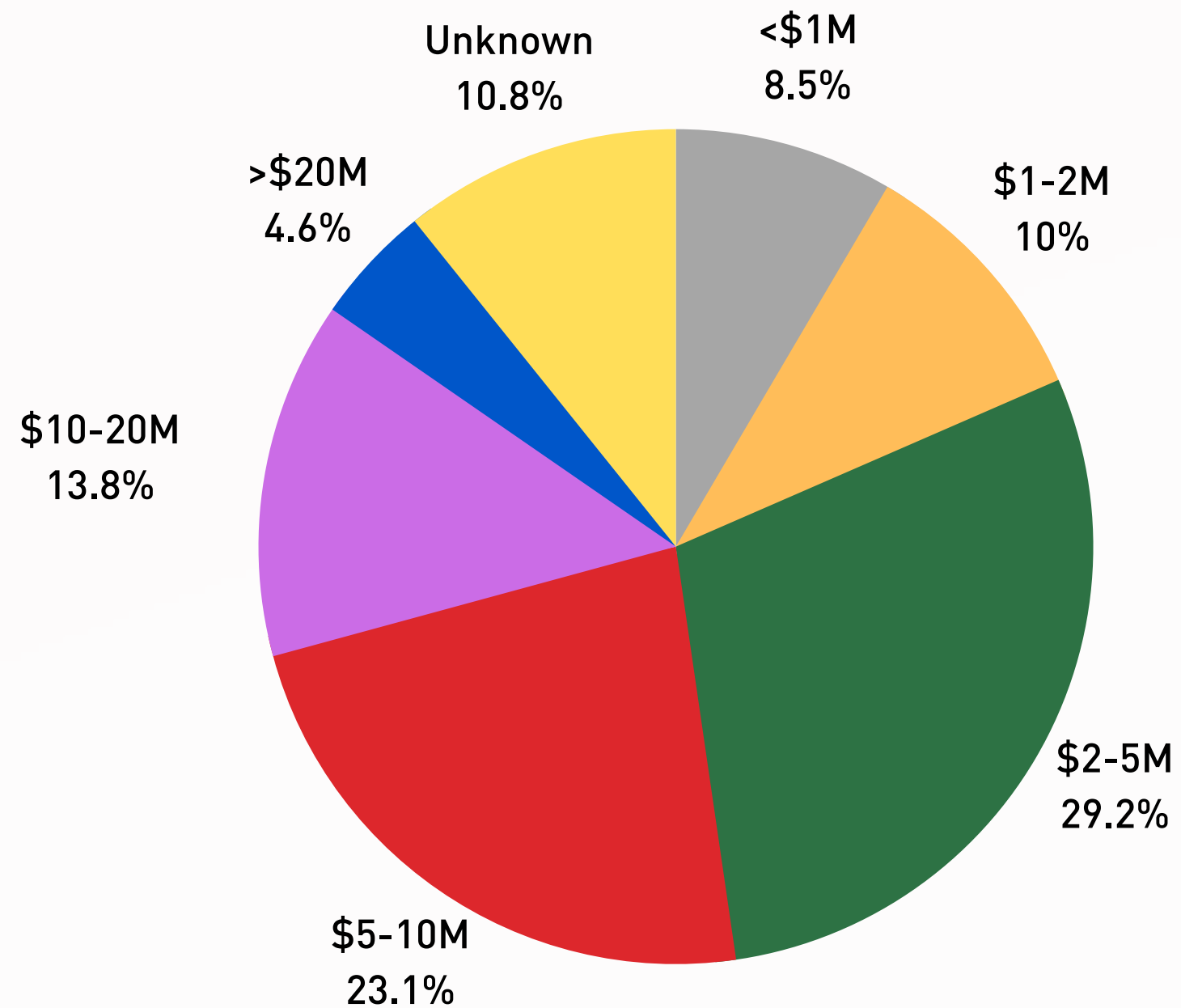
## Sector Focus



Total Deals	130
Web3	54
Others	33
DeFi	21
NFTs	11
Infrastructure	10
CeFi	1

# February Statistic

## Investment Range



Below \$1M	11
\$1M - \$2M	13
\$2M - \$5M	38
\$5M - \$10M	30
\$10M - \$20M	18
Above \$20M	6
Unknown	14

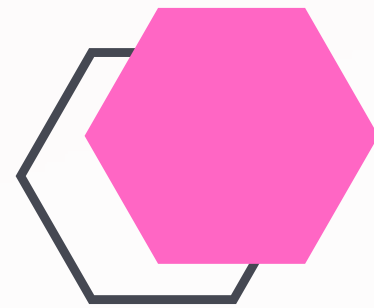


# FebruaryStatistic

## Sum-Up

*Led by: Andreessen Horowitz*

Towns is a Web3 group chat protocol and app that lets online communities build blockchain-based gatherings in a fully decentralized way.



Win the **largest investment** with

**\$25.5M**

in **SEED ROUND**

# February Statistic

## Sum-Up

### Largest **Infrastructure** investment

A platform providing an automated economic security system for cryptocurrency protocols, optimizing risk management and capital efficiency, and protecting user funds in the crypto market. Founded in October 2021, it provides DeFi protocols with an automated blockchain risk management platform. The platform has the ability to customize automated security monitoring, prevent threats, and use simulation tools to verify protocol health and stability regardless of current market conditions.



*Led by: PayPal Ventures & Galaxy Digital*

**\$20M**

**SEED ROUND**

### Largest **DeFi** investment

Alongside is on a mission to simplify access to crypto investing. Index products have saved people billions in fees and served as a simple gateway for millions of regular people to invest.

*Led by: Andreessen Horowitz*



**\$11M**

**SEED ROUND**

### Largest **NFT** investment

A global entertainment brand that creates and manages a roster of world-famous synthetic artists and influencers. Often seen and experienced through social media and partnerships ranging from Gucci to Fortnite and beyond. Superplastic is the leader in luxury art toys, music, fashion, and Web3, with countless collaborations and experiences positioned at the intersection of digital and physical realms.

*Led by: Amazon's Alexa Fund*



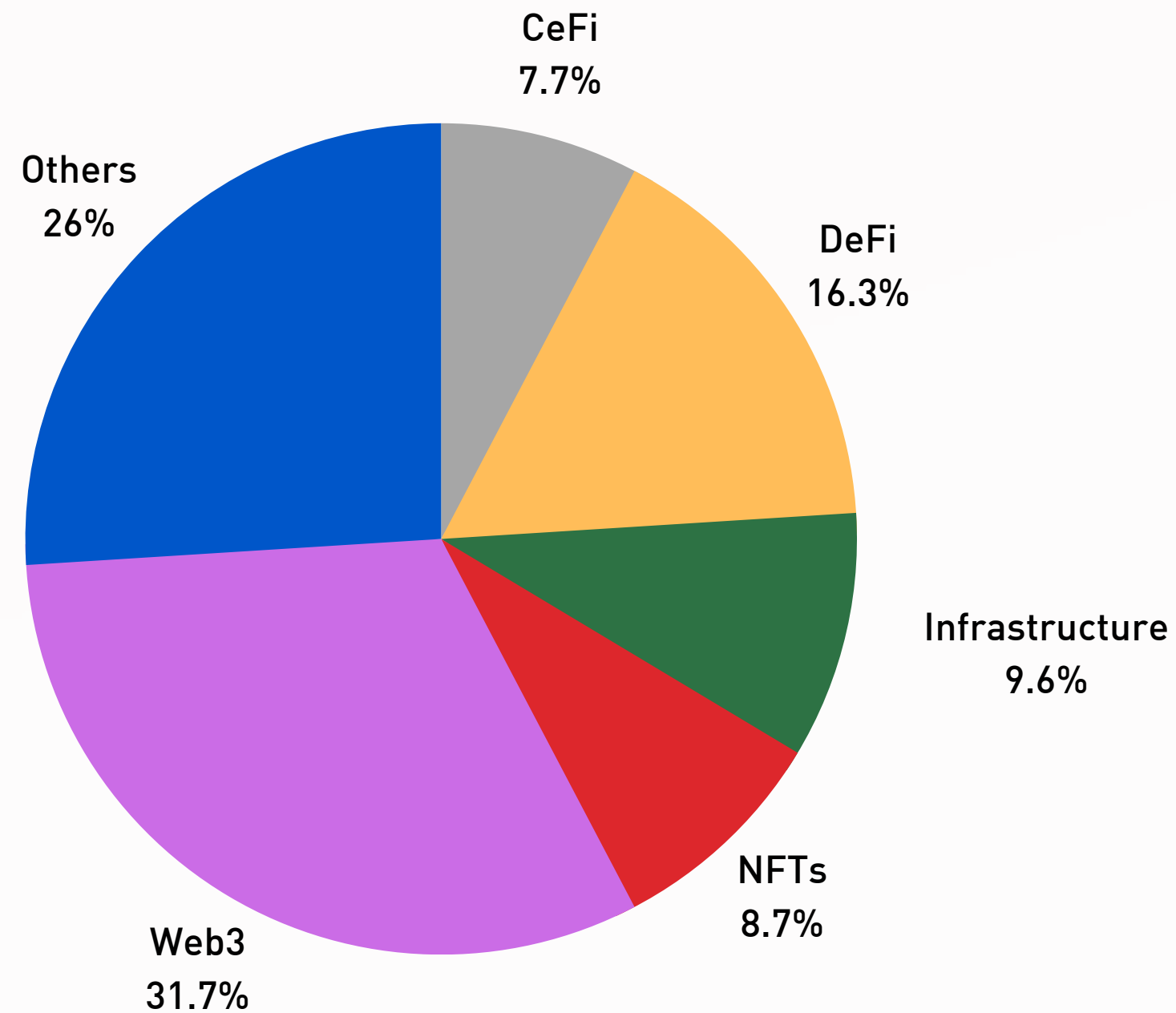
**\$20M**

**SERIES A**



# March Statistic

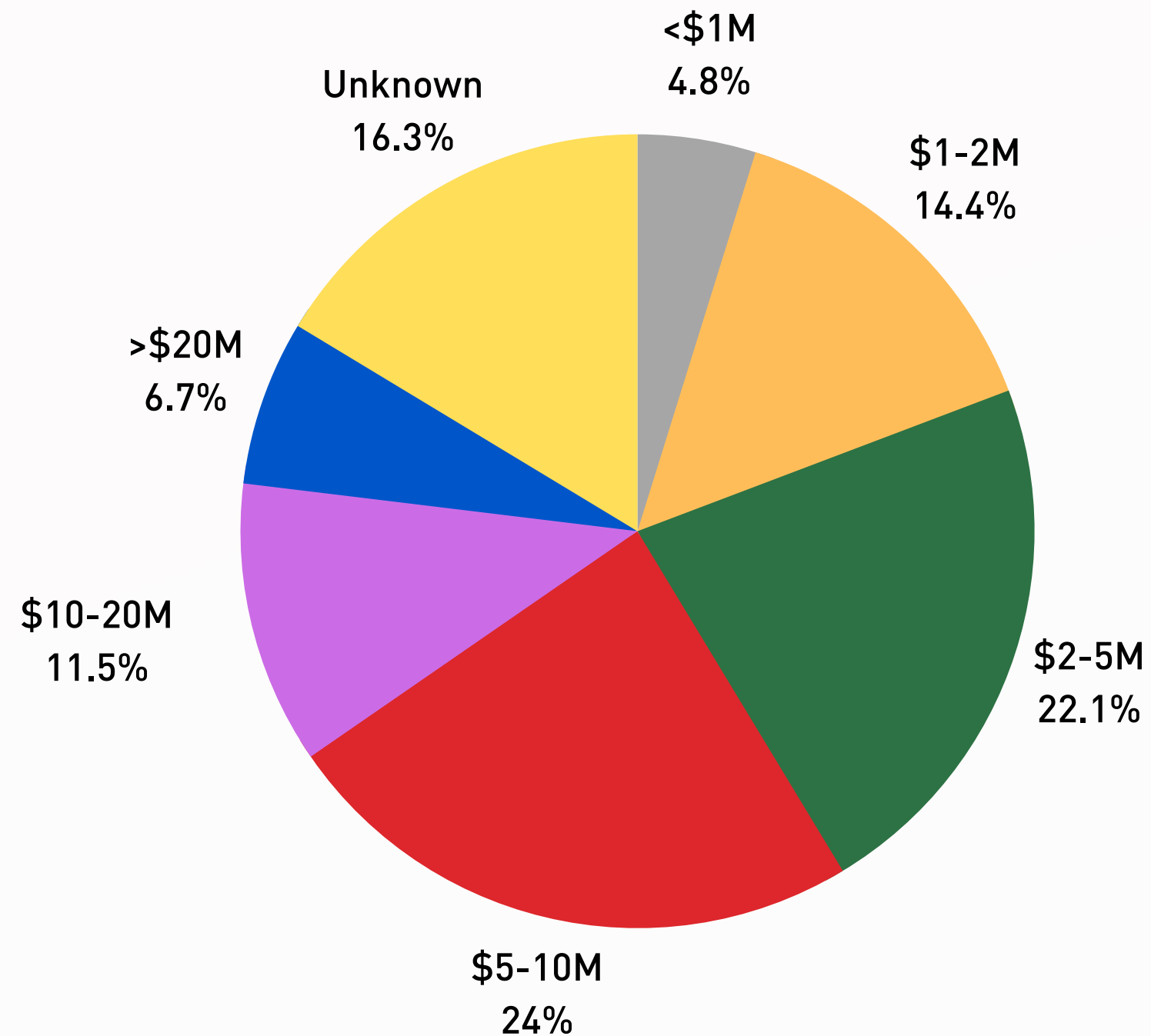
## Sector Focus



Total Deals	104
Web3	33
Others	27
DeFi	17
Infrastructure	10
NFTs	9
CeFi	8

# March Statistic

## Investment Range



Below \$1M	5
\$1M - \$2M	15
\$2M - \$5M	23
\$5M - \$10M	25
\$10M - \$20M	12
Above \$20M	7
Unknown	17



# March Statistic

## Sum-Up

OP3N is a platform that combines the best of Web2 and Web3 into a chat SuperApp where chat, commerce, community and unique and memorable experiences are at the forefront.



*Led by: Animoca Brand*

Win the **largest investment** with

**\$28M**

in **SERIES A**

# March Statistic

## Sum-Up

### Largest Infrastructure investment

**Proven** is building a zero-knowledge proof-based trust layer for crypto service providers. The solution enables crypto exchanges, stablecoins, asset managers and custodians to prove their solvency to customers lenders and regulators on a daily basis. The company has already onboarded leading web3 companies, including Coinlist, Bitso, TrueUSD, and M11 Credit, among others.



Led by: Framework Ventures

\$21M

Extended SERIES A

### Largest DeFi investment

**Li.Fi** is a DEX Aggregator protocol and cross-chain solution. Through Li.Fi's smart contract, the protocol selects the best Bridge/DEX for the cheapest, fastest and safest asset trading route.



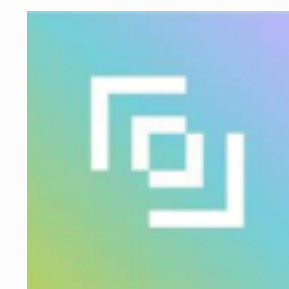
Led by: CoinFund & Superscript

\$15M

SERIES A

### Largest NFT investment

**Few and Far** An NFT - DeFi marketplace launching on NEAR Protocol whose native platform token is FAR. We are a community-first marketplace where trading rewards will be distributed to FAR stakes as a proportion of the number of tokens they stake. Rewards are commensurate with levels of participation and commitment. Each transaction of FAR tokens across the ecosystem will include a nominal tax of 0.1%. This unique mechanism makes FAR a deflationary token.



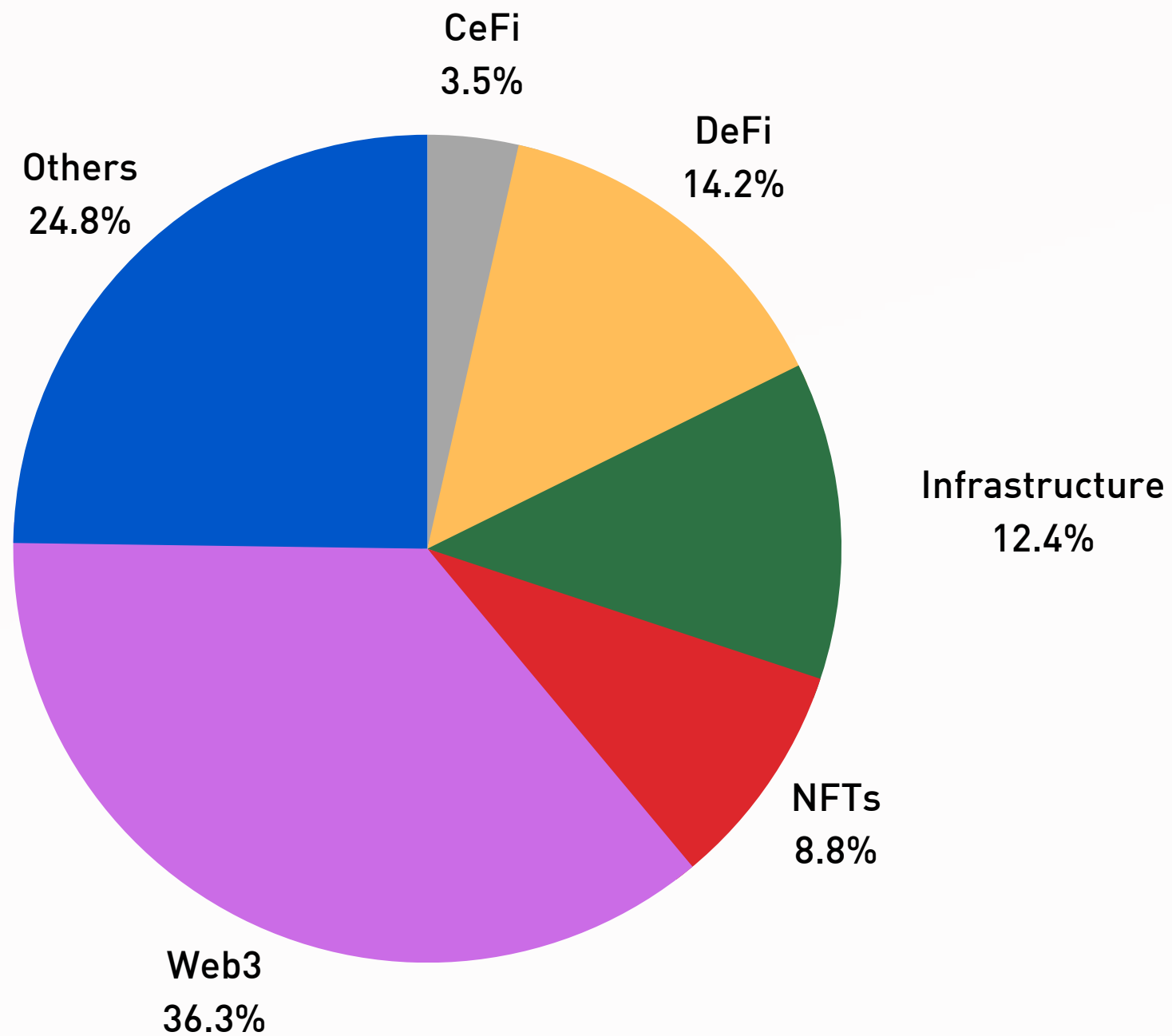
Led by: Pantera Capital

\$4M

Equity Financing

# April Statistic

## Sector Focus

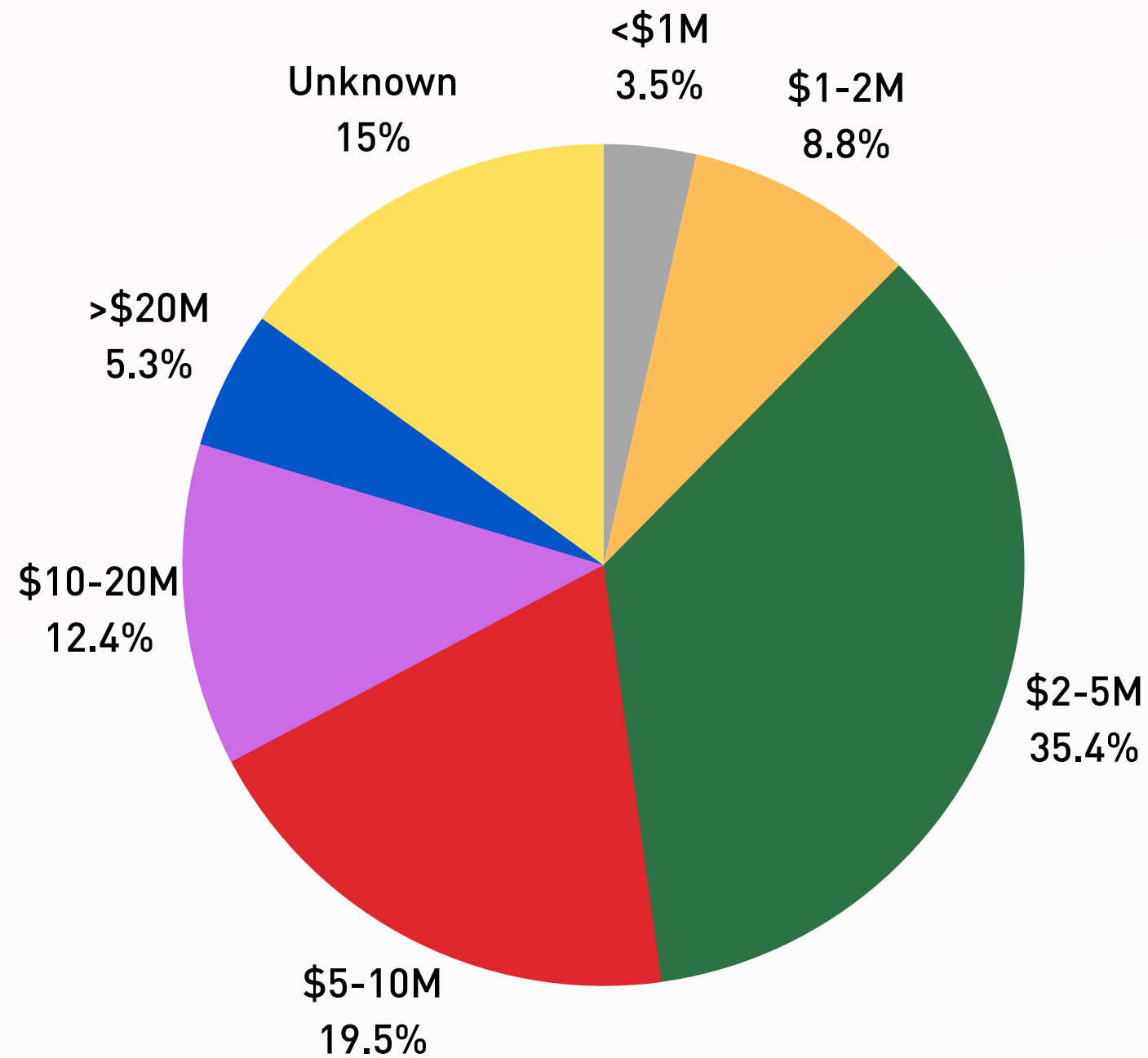


Total Deals	104
Web3	41
Others	28
DeFi	16
Infrastructure	14
NFTs	10
CeFi	4



# April Statistic

## Investment Range



Below \$1M	4
\$1M - \$2M	10
\$2M - \$5M	40
\$5M - \$10M	22
\$10M - \$20M	14
Above \$20M	6
Unknown	17

# April Statistic

## Sum-Up



*Led by: Polychain Capital*



Berachain is an EVM-compatible layer one blockchain, built using the Cosmos SDK, and secured by the novel Proof-of-Liquidity Consensus Protocol.



Win the **largest investment** with

**\$42M**

in **SERIES A**

# April Statistic

## Sum-Up

### Largest Infrastructure investment

Founder in 2023, M^ZERO is a middleware that connects TradFi to DeFi and the entire Web3 ecosystem with an enterprise-class experience. It allows permissionless minting under decentralized governance.



Led by: *Pantera Capital*

**\$22.5M**

**SEED ROUND**

### Largest DeFi investment

Aweb3 ecosystem initiated by Maye Musk NFT Dog community. Over 3.7 million units of BNB Coins (2 billion USD equivalent) of trading volume was recorded in 9 months from Maye Musk NFT and derivative NFTs, including game characters and virtual lands. It has one of the biggest web3 communities over 29 fanbase regions. USM is also the web3 central for virtual headquarters and social spaces for partners include - BNB Chain, Huobi, Kucoin, Bybit, Bitget, LBank, OKC, Dodo, MEXC, BSC News, Element Market, and Miami NFT Week etc.



Led by: *DWF Labs*

**\$16M**

**UNDISCLOSED**

### Largest NFT investment

Founded in 2021 in the U.K., MetaGravity builds a distributed computing infrastructure for metaverse gaming and virtual simulations. They provide game developers with arbitrary scale, transformational cloud cost efficiencies, cloud agnosticism, and game-engine agnosticism.



Led by: *Sino Global, The Spartan Group, etc.*

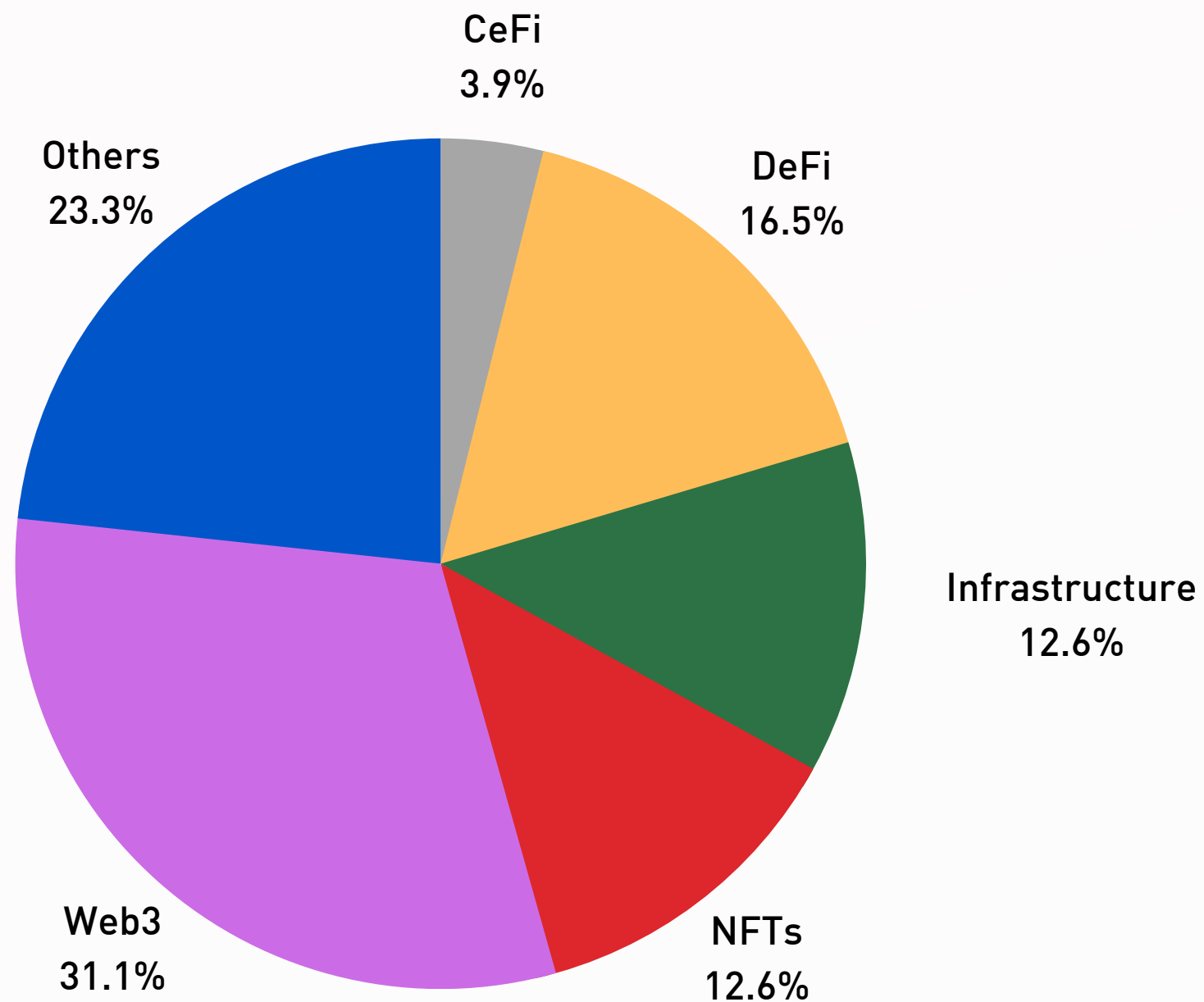
**\$20M**

**SERIES A**



# May Statistic

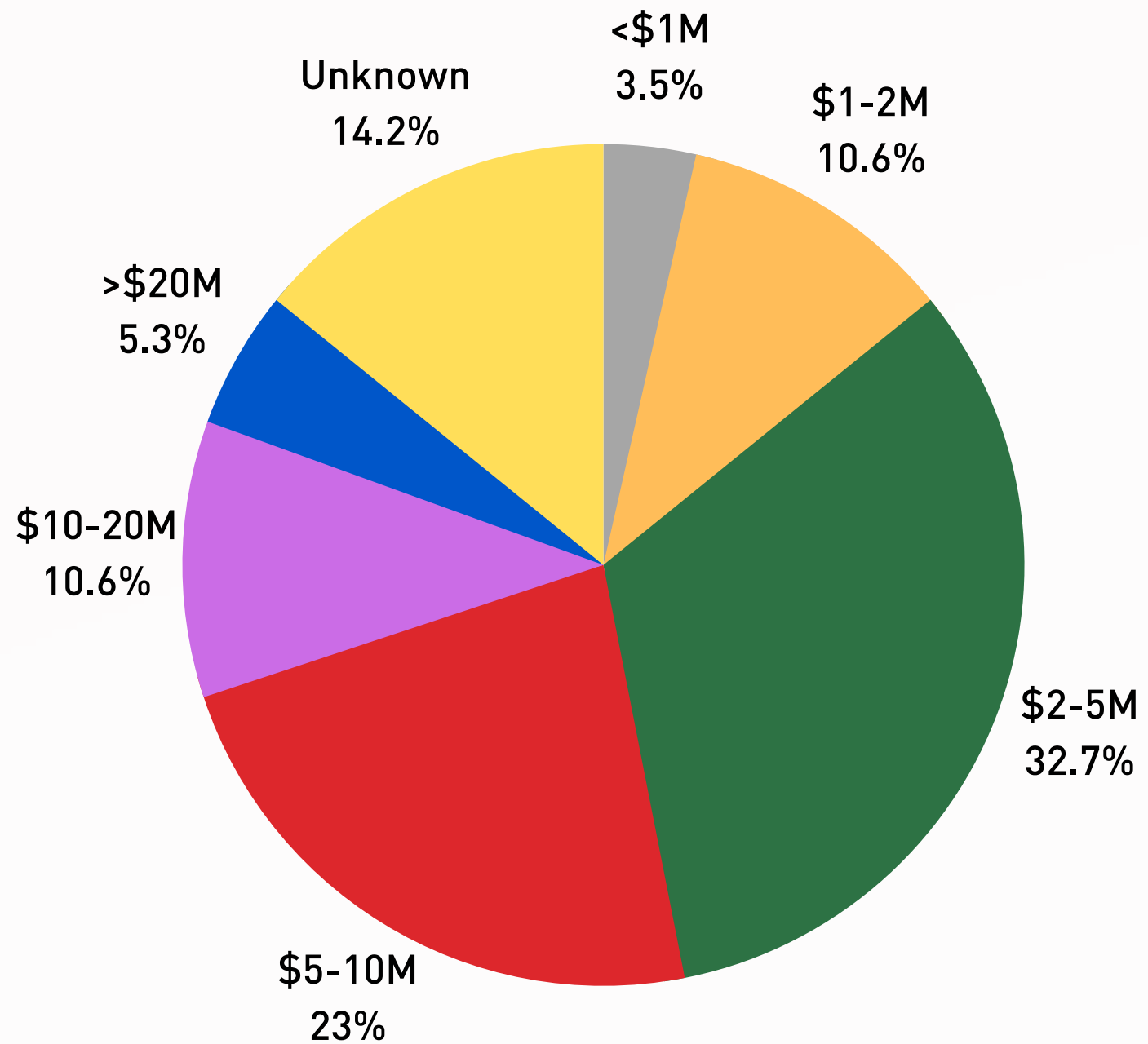
## Sector Focus



Total Deals	103
Web3	32
Others	24
DeFi	17
Infrastructure	13
NFTs	13
CeFi	4

# May Statistic

## Investment Range



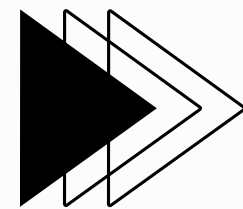
Below \$1M	4
\$1M - \$2M	12
\$2M - \$5M	37
\$5M - \$10M	26
\$10M - \$20M	12
Above \$20M	6
Unknown	16

# May Statistic

## Sum-Up

NewLimit is treating age-related disease to extend human healthspan by conducting in-house research, collaborating with the world's top academic and clinical experts and translating scientific discoveries into real world products.

**Partners:** DIMENSIONS, Kleiner Perkins, Founders Fund, Fred Ehrsam, etc.



Win the **largest investment** with

**\$40M**

in **SERIES A**





# May Statistic

## Sum-Up

### Largest Infrastructure investment

Founded in 2018, Cormint boasts a strong foundation in engineering, energy, and financial management. Cormint Data Systems can simplify data center operations and management by providing comprehensive consolidated management. The company is harnessing bitcoin-denominated debt to build the grid of the future.



Led by: Cormint President & Silicon Labs' Chairman

**\$30M**

**SERIES A**

### Largest Web3 investment

Story Protocol developer of a web3 technology designed to revolutionize how narrative universes are created. The company's platform offers a way to create, govern, and license intellectual property on-chain and form an ecosystem of story legos that can be remixed and composed, enabling creators to build a narrative story with ownership and incentive.



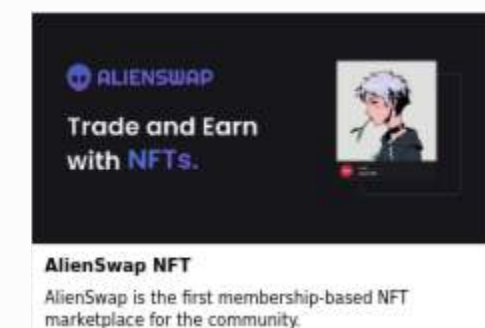
Led by: Andreessen Horowitz

**\$29.3M**

**SEED ROUND**

### Largest NFT investment

Founded in 2022, AlienSwap is a developer of a community-based NFT marketplace intended to provide access to liquidity from multiple NFT markets. The company's marketplace helps individuals trade NFT and invite friends to earn rewards, enabling users to get access to a marketplace where the revenue is returned to the community.



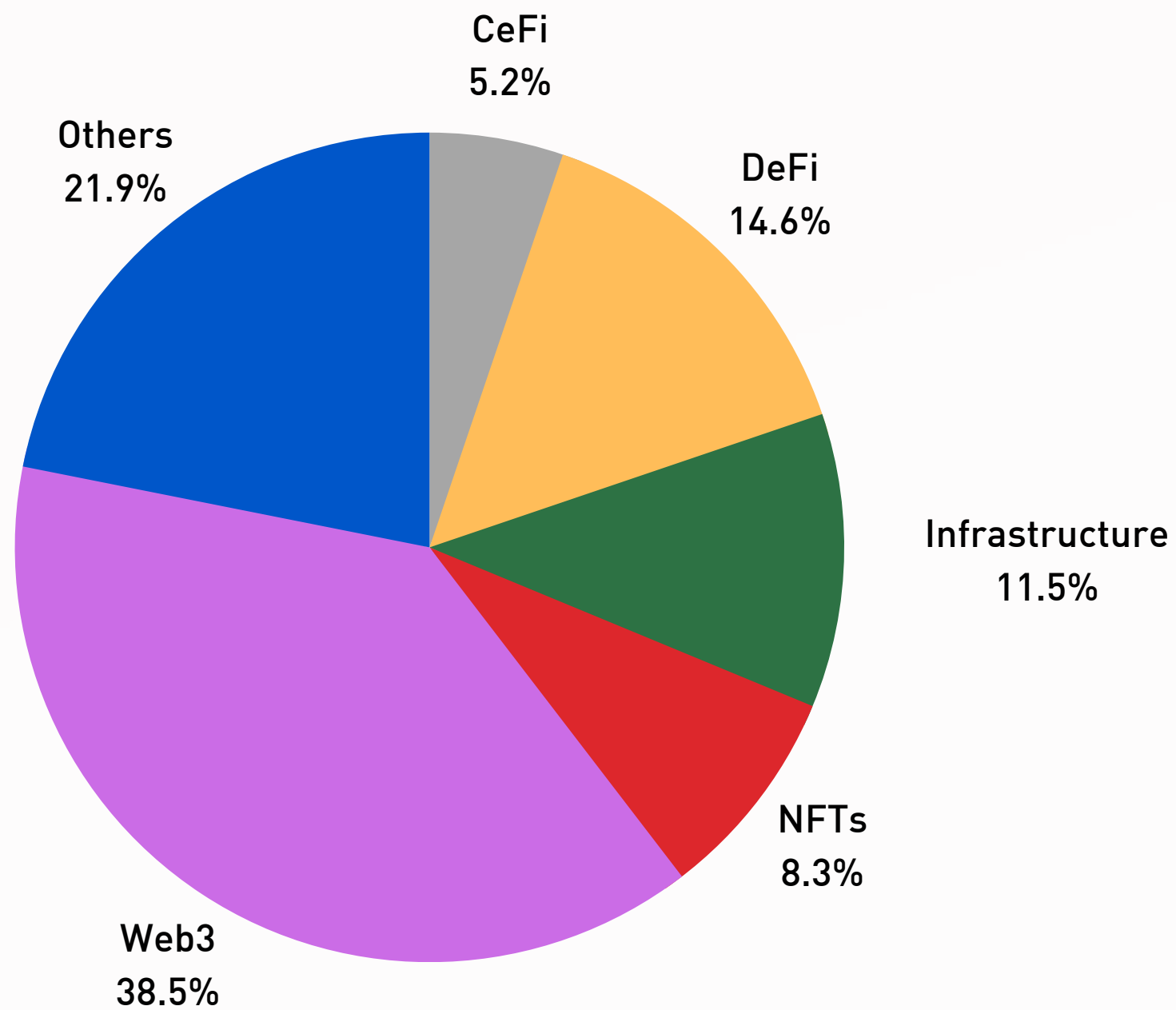
Led by: NEXT Leader Capital & C<sup>2</sup> Ventures

**\$4M**

**STRATEGIC ROUND**

# June Statistic

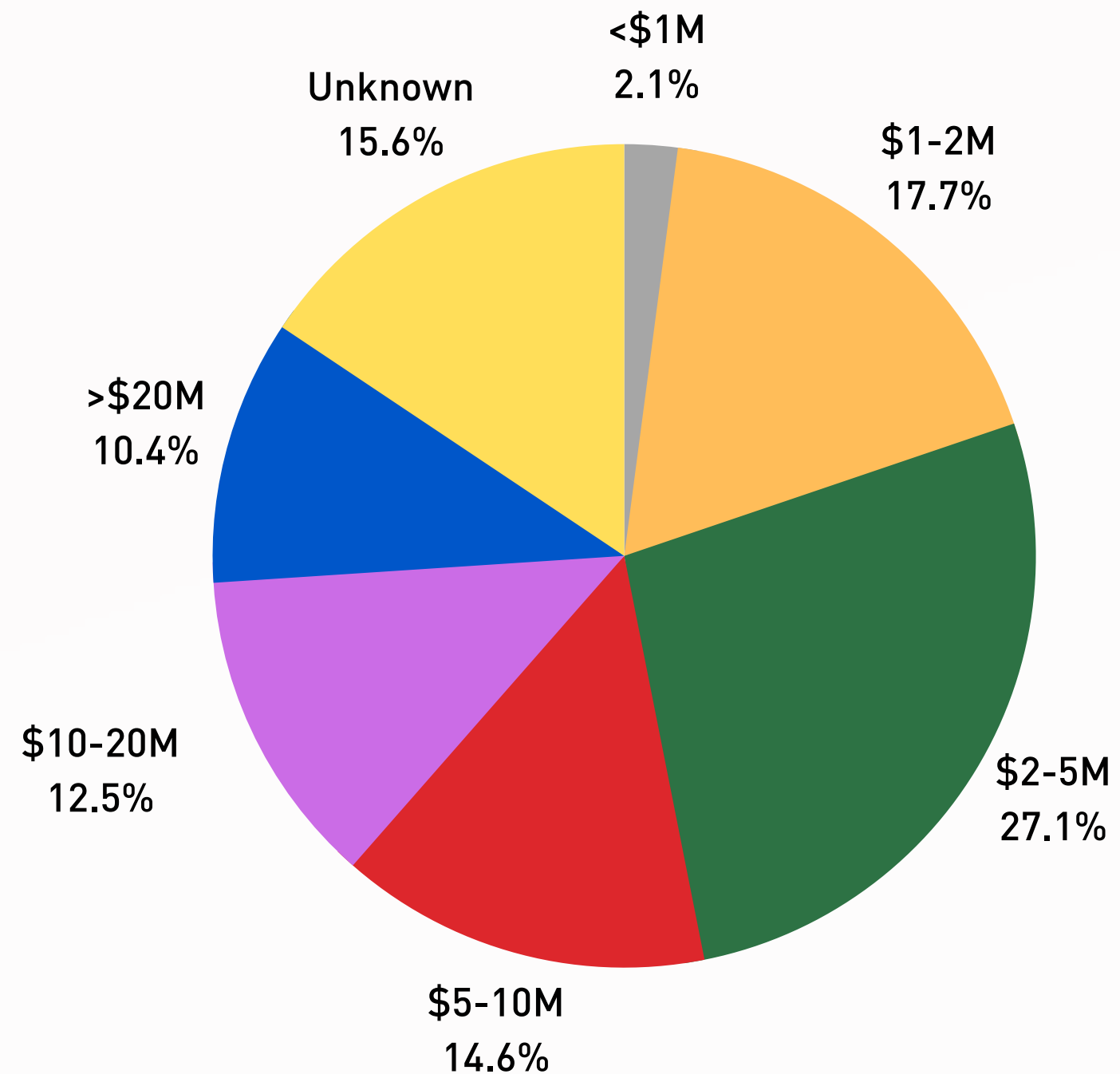
## Sector Focus



Total Deals	96
Web3	37
Others	21
DeFi	14
Infrastructure	11
NFTs	8
CeFi	5

# June Statistic

## Investment Range



Below \$1M	2
\$1M - \$2M	17
\$2M - \$5M	26
\$5M - \$10M	14
\$10M - \$20M	12
Above \$20M	10
Unknown	15



# June Statistic

## Sum-Up



**Gensyn**  
Decentralised compute to push the boundaries of machine learning  
[gensyn.ai](https://gensyn.ai)

*Led by: Andreessen Horowitz*



The Gensyn network is the Machine Learning Compute Protocol that unites all of the world's compute into a global supercluster, accessible by anyone at any time



Win the **largest investment** with

**\$43M**

in **SERIES A**

# June Statistic

## Sum-Up

### Largest **Infrastructure** investment

Thunes (2016) is a global B2B payment infrastructure platform that powers payments for the world's fastest-growing businesses – from gig economy giants such as Uber and Deliveroo and Southeast Asia's super-app Grab to global fintech leaders. Through a single, simple connection, consumers and businesses can send payments to – and get paid in – every corner of the world. Thunes currently supports 80 currencies, enables payments to 132 countries and helps to accept 300 payment methods.



*Led by: Marshall Wace*

**\$60M**

**SERIES C**

### Largest **DeFi** investment

Founded in 2023, Neutron is a smart-contracts blockchain platform that provides cross-chain applications that leverage bleeding-edge Interchain technology with minimal overhead for the Cosmos ecosystem. Neutron lets developers launch smart-contracts and gives tools to interoperate with other protocols and appchains.



*Led by: Binance Labs*

**\$10M**

**UNDISCLOSED**

### Largest **NFT** investment

Launched in late 2022, Hooked Protocol is a gamified social learning platform building an interactive and gamified on-ramp layer for new users to hop into the Web3 world. The focus is on encouraging massive Web3 adoption by onboarding users through education that is engaging and keeps the users hooked. Hooked sets out tasks to help users easily access web3 through a fairly diverse and gamified set of products, thereby helping users get back a lot of value (including economic value)



*Led by: Collab+ Currency & Lattice*

**\$3M**

**UNDISCLOSED**

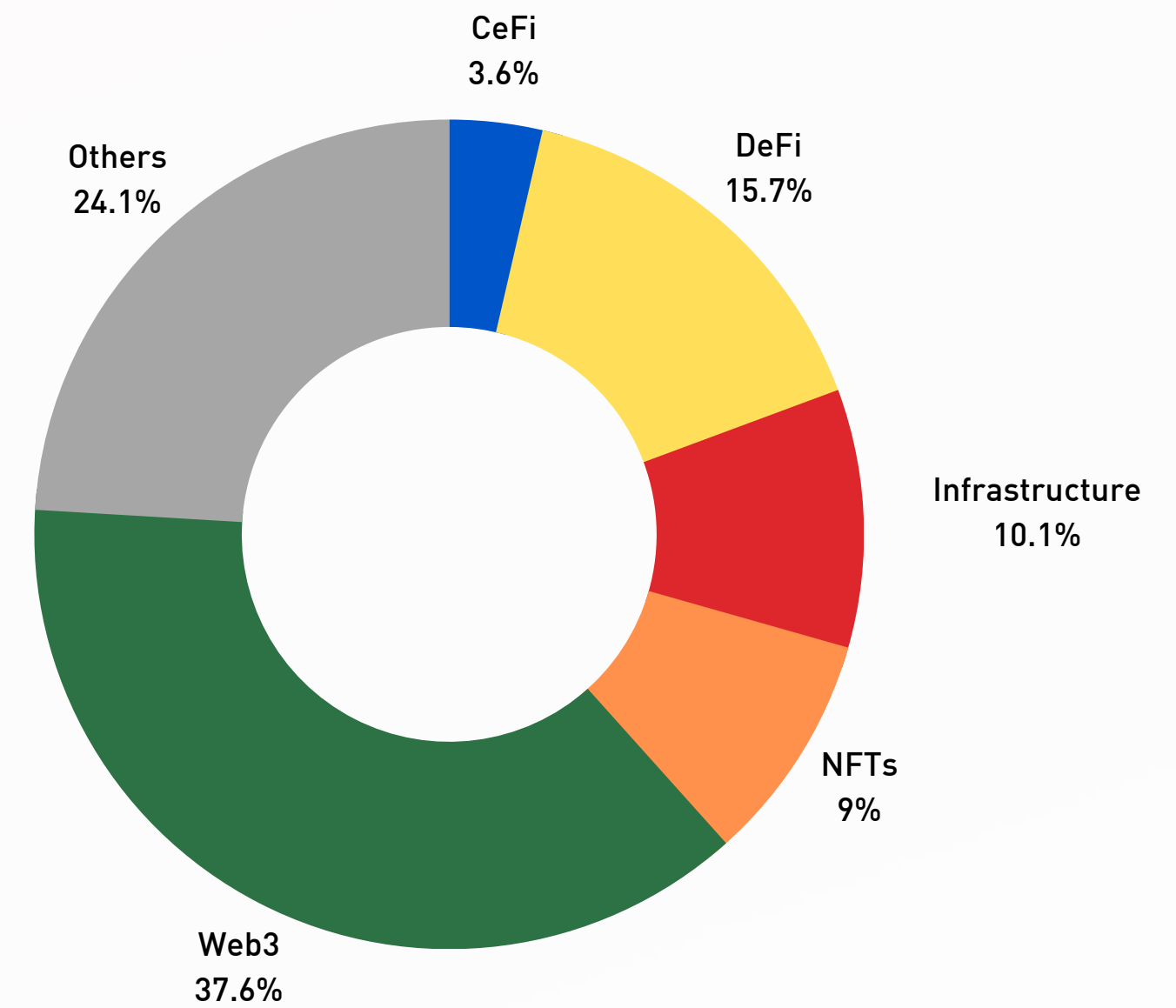
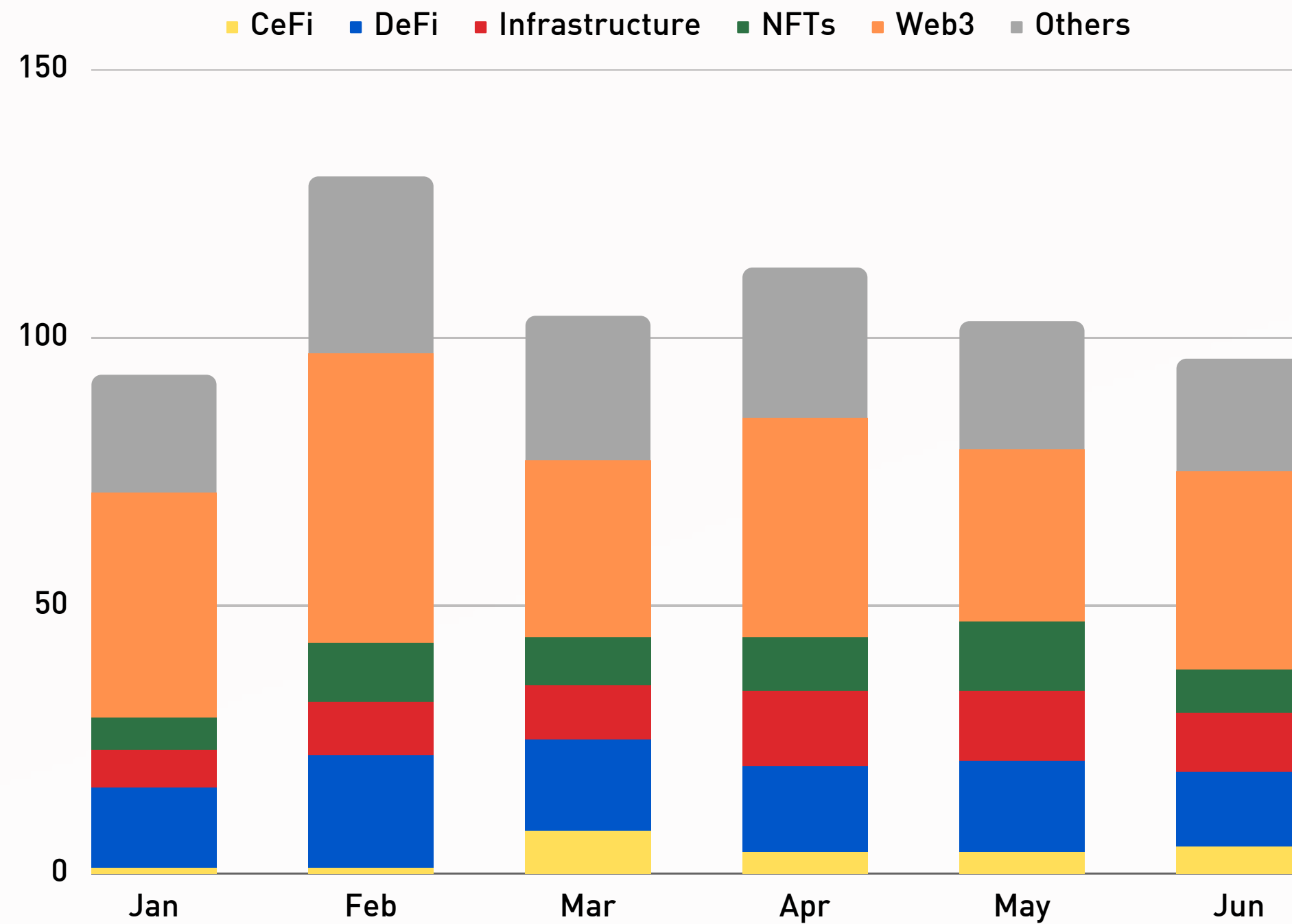


A modern office interior with a large wooden conference table in the foreground, several office chairs, and a lounge area with sofas in the background. The space is filled with various green plants, including a large potted plant on the table and hanging plants from the ceiling. The ceiling has exposed ductwork and lights. The overall atmosphere is bright and professional.

# TREND & ANALYSIS



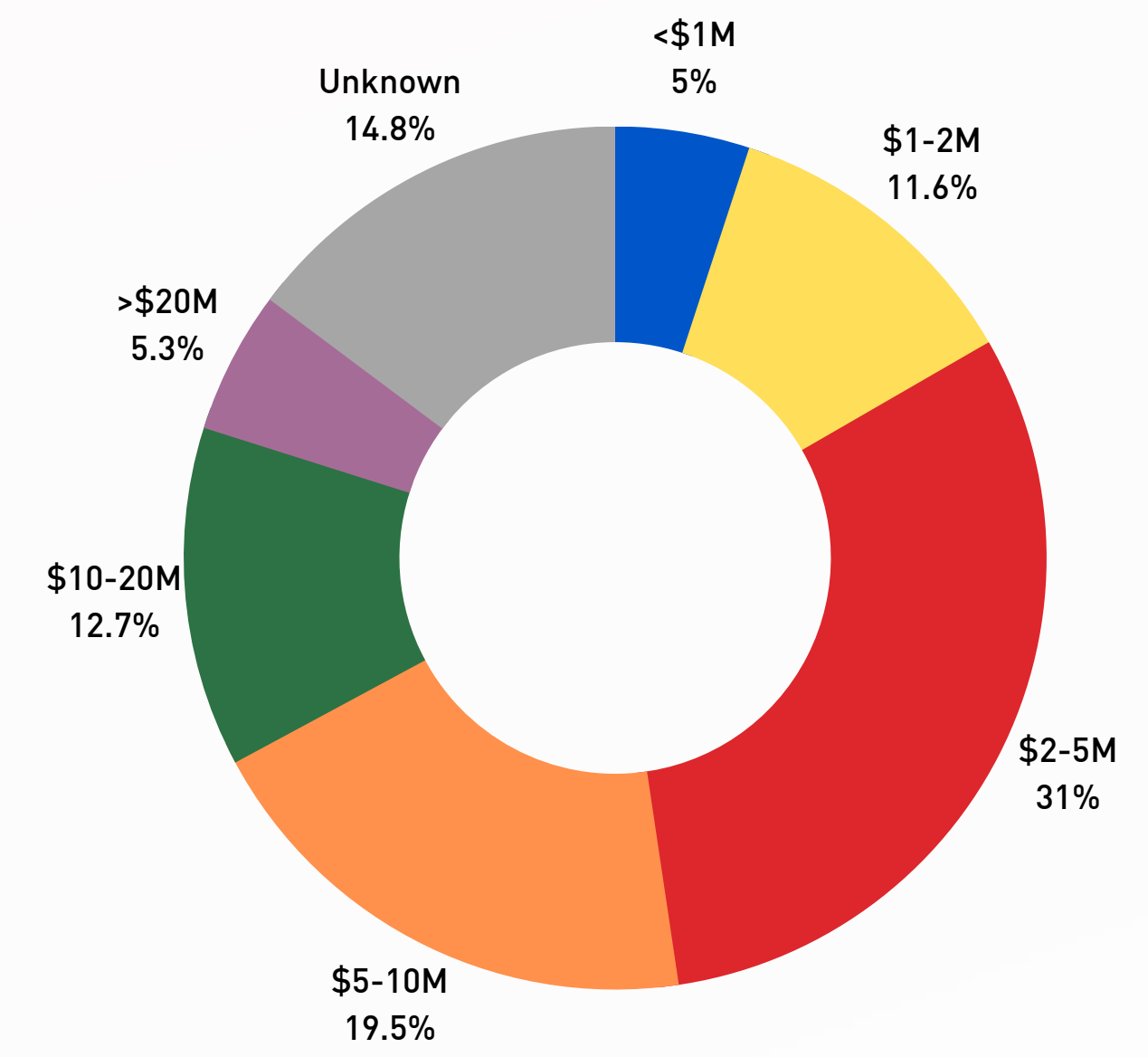
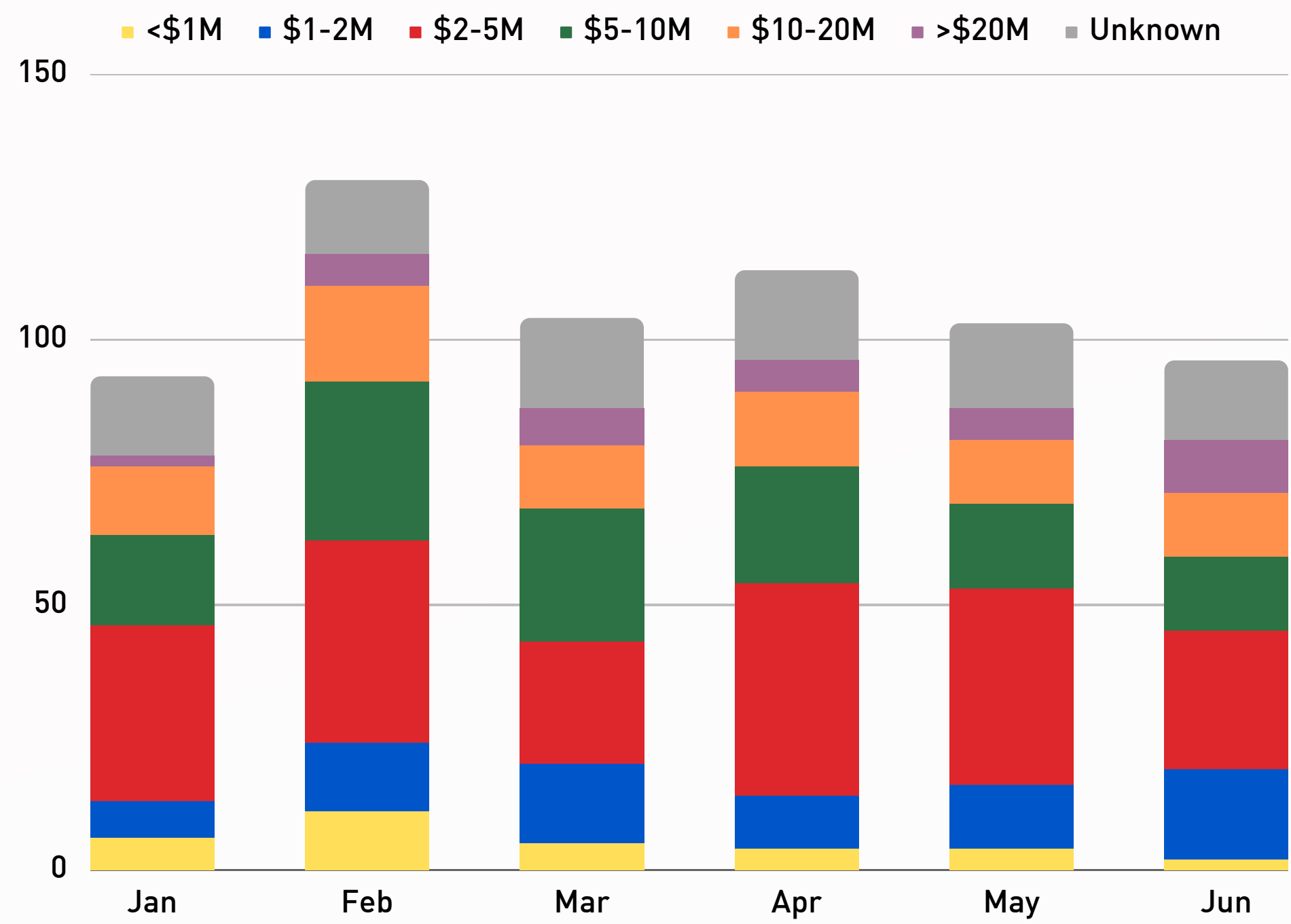
# Web3 deals account for the largest portion of all investments in H1 2023, followed by DeFi and Infrastructure



Number of Deals by sectors in first half 2023



In terms of investment size, nearly half of all deals have the value of between \$2 million and \$5 million

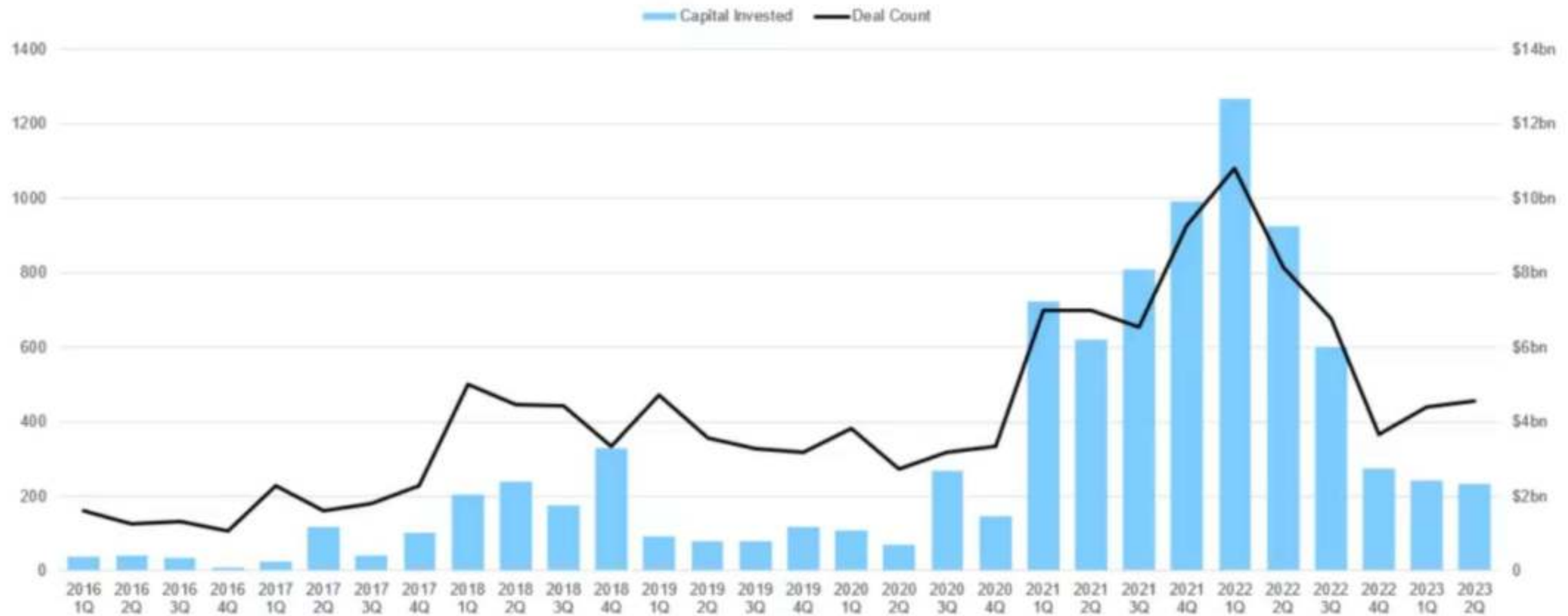


Number of Deals by investment range in first half 2023

# VC investment in Blockchain and Web3 startups continue to remain low in Q1 and Q2 2023

## Crypto VC Deal Count & Capital Invested

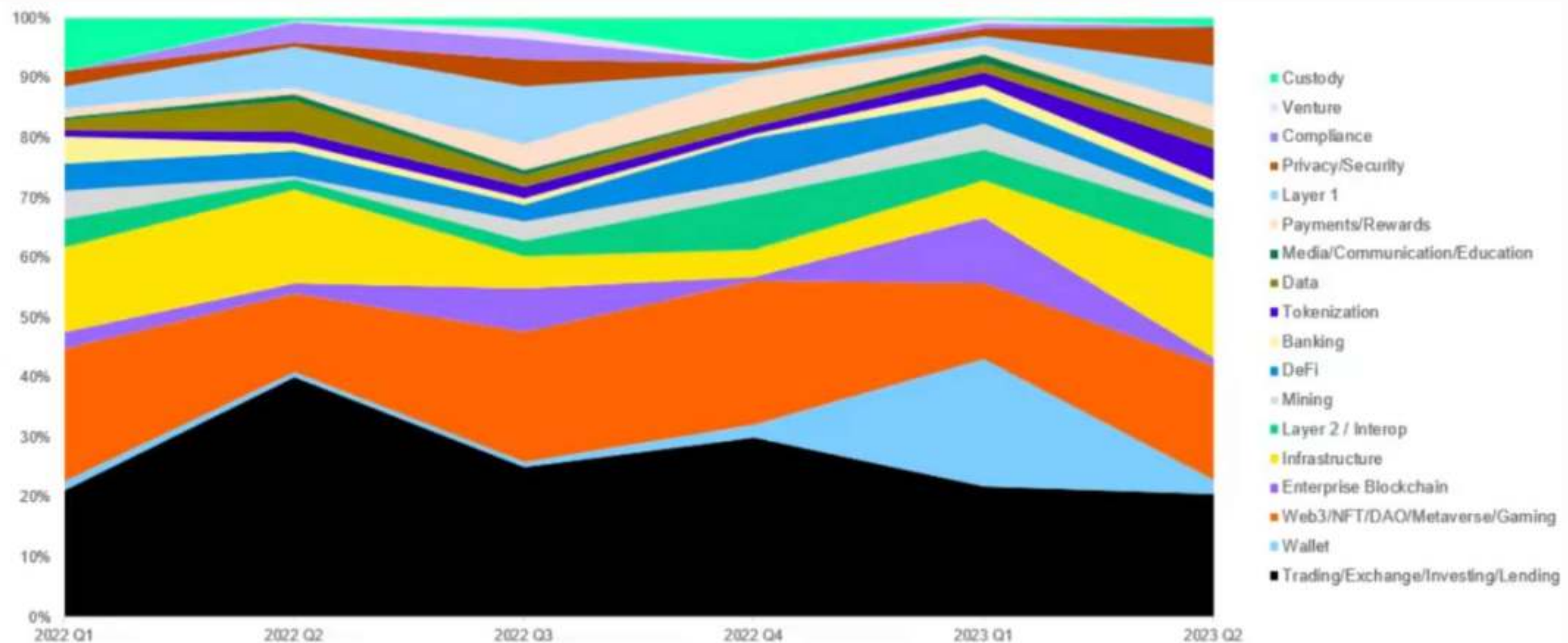
Source: Galaxy Research



Source: Galaxy Research

**Trading, Exchange, Investing, and Lending** startups raised the most venture capital money in Q2 2023 (\$473mn, 20% of capital deployed).

**Web3, NFTs, Gaming, DAOs, and Metaverse** startups raised the second most capital at \$442mn, representing 19% of all venture capital deployed in Q2 2023.






Source: Galaxy Research



# THANKS FOR READING

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