



Australian Government

Australian Trade and Investment Commission

Exporting Innovation: The Global Capability of Australian Fintech

Industry Capability Report



AUSTRALIA

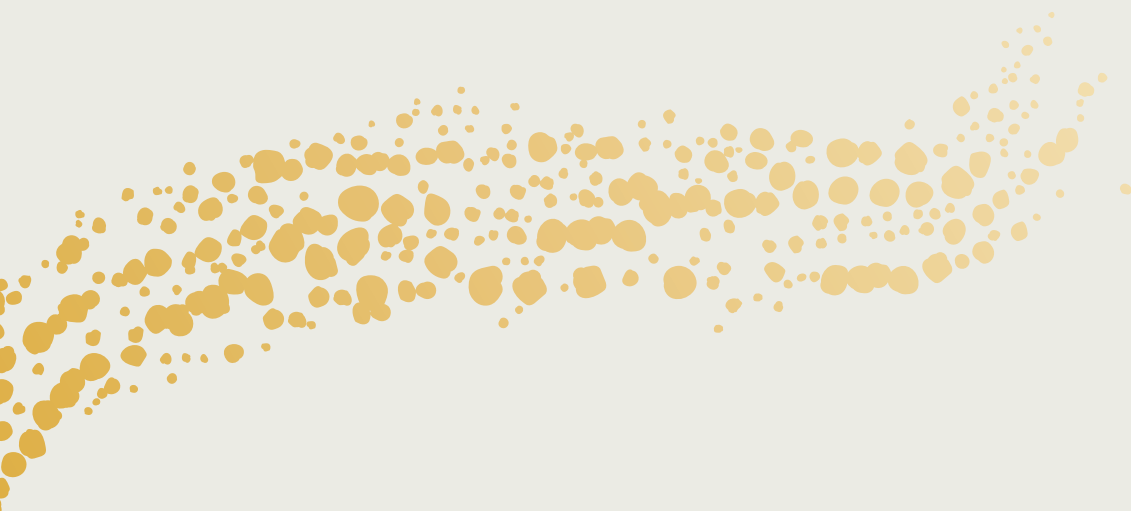
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The Australian Trade and Investment Commission (Austrade) is Australia's national trade and investment promotion agency.

Austrade connects global businesses to Australian opportunities, including supporting international businesses seeking to source Australian financial technology (FinTech) products and services, or to invest in the local Australian FinTech industry.

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This report was developed by FinTech Australia in partnership with Austrade. FinTech Australia is the peak industry body for Australia's fintech industry, supporting the ongoing creation, development and adoption of financial technology across diverse industries. Their vision is to make Australia the leading market for fintech innovation and investment by working to create a supportive environment and ecosystem in Australia and abroad.



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Executive Summary

The Australian fintech sector has established itself as a global leader in financial technology innovation, ranking 6th globally and 2nd in the Asia-Pacific region. With 896 active companies projected to drive market growth to USD\$9.5 billion by 2033 at a CAGR of 8.90%, the ecosystem demonstrates remarkable depth and sophistication across all major financial services verticals.

Australian Fintech Ecosystem Strengths	Value/Capability
Global Fintech Ranking	6th globally, 2nd in Asia-Pacific
Active Companies (2025)	896
Projected Market Value (2033)	USD \$9.5 billion
CAGR (2025–2033)	8.90%
International Revenue Focus	~20% of companies earn majority revenue overseas

Source: IMARC Group (2025); KPMG Australia (2024); DealStreetAsia (2021); FinTech Australia (2025)

Australian fintech capabilities are distinguished by world-class innovation in digital payments, with companies like Afterpay pioneering the global Buy Now, Pay Later (BNPL) revolution. The sector's strength in regulatory technology (RegTech) leverages Australia's sophisticated compliance environment to create AI-powered solutions exportable to developing regulatory markets. Alternative lending platforms demonstrate advanced credit assessment capabilities using innovative data sources and AI-driven risk management address financial inclusion challenges globally.

The ecosystem's technological infrastructure capabilities are proven at scale, with the New Payments Platform processing over two million payments daily and providing Australian companies with advanced real-time payment processing expertise. Australia's stable regulatory environment, sophisticated financial system, and high-quality talent pool create a foundation for developing globally competitive solutions that combine innovation with regulatory sophistication.

Government support significantly enhances capability development and export facilitation through initiatives including the AUD \$2 billion Southeast Asia Investment Financing Facility (SEAIFF), the Australian Trade and Investment Commission ('Austrade') Landing Pads program, and regulatory sandbox environments.

These programs enable Australian fintechs to test, refine, and export their capabilities to international markets while maintaining the regulatory rigour that makes Australian solutions credible globally. Additionally, In the 2020-21 Budget, the Government provided Austrade with \$9.6 million over four years to boost fintech trade and investment flows through the Fintech Trade and Investment Program. This program helped Australian fintechs connect to global opportunities while attracting inward investment to Australia's fintech sector.

The convergence of sophisticated regulatory expertise, advanced technology infrastructure, and proven world class payments technology, Australian fintech capabilities as globally significant contributors to financial technology advancement. Through continued innovation in emerging technologies including artificial intelligence, automation, blockchain, and embedded finance, Australian fintech solutions demonstrate the ability to address fundamental challenges in financial services delivery while maintaining the compliance sophistication required for international regulatory environments.

Source: KPMG Australia (2024); IMARC Group (2025); Prime Minister of Australia (2024); Austrade (2022); DealStreetAsia (2021)



Sector Overview

Core Capabilities

Australia has demonstrated technology leadership across several fintech sub-sectors, developing solutions that have gained global recognition and adoption. The success of companies like Afterpay and Zip Co in the Buy Now, Pay Later (BNPL) space is a primary example of this, illustrating how Australian innovation can achieve worldwide market penetration. These firms demonstrated Australia's innovativeness by pioneering new BNPL models that appealed directly to younger, credit-averse consumer segments. This resulted in rapid global popularity and immense growth, culminating in one of Australia's largest-ever tech acquisitions when Afterpay was acquired by US-based Block Inc.



Key areas of Australian fintech innovation capability include:

- **Digital Payments Innovation:** World-leading BNPL solutions, real-time payment processing, and contactless payment technologies that have achieved global market penetration, as exemplified by the category-defining success of Afterpay.
- **RegTech Excellence:** Sophisticated compliance and regulatory technology solutions leveraging AI and machine learning to manage complex regulatory environments, a capability demonstrated by export-focused identity verification firms like Data Zoo.
- **Alternative Lending Platforms:** Advanced credit assessment technologies using alternative data sources and AI-driven risk management, as seen in the SME-focused lending models developed by companies such as Prosopa.
- **Embedded Finance Solutions:** Seamless integration capabilities that enable financial services to be embedded within non-financial platforms and ecosystems, a strategy successfully employed by all-in-one platforms like Thriday to partner with digital banks.
- **Blockchain and Digital Assets:** Institutional-grade blockchain infrastructure and digital asset management capabilities, with firms like Powerledger applying the technology to create transparent new markets for renewable energy trading.
- **AI-Powered Financial Services:** Advanced artificial intelligence applications for fraud detection, risk management, and personalised financial products, with platforms like Thriday using AI to automate complex tasks like transaction categorisation and real-time tax forecasting.

Australian Fintech Innovation Areas	Active Companies (2024)	Global Capability Strength
Digital Payments	154 (20%)	Global BNPL leadership, real-time payments
Lending	132 (17%)	Alternative credit scoring, digital-first platforms
RegTech	80 (10%)	AI-powered compliance, automated reporting
WealthTech	77 (10%)	Robo-advisory, micro-investing platforms
Blockchain & Crypto	73 (10%)	Institutional infrastructure, tokenisation
Data and Analytics	53 (7%)	Financial data processing, insights generation

Source: KPMG Australia (2024); Verified Market Research (2025)

Market Maturity and Composition

The Australian fintech market is projected to grow to USD \$9.5 billion by 2033, reflecting a Compound Annual Growth Rate (CAGR) of 8.90% from 2025 to 2033 (IMARC Group, 2025). Supported by a dynamic ecosystem of 896 active companies, this steady growth is characteristic of a highly mature and sophisticated market, one that has advanced beyond the more volatile, high-growth phases seen in emerging fintech ecosystems (FinTech Australia, 2025).



Australian Fintech Market Drivers	Impact on CAGR Forecast	Capability Development
Rapid uptake of real-time payments via NPP & PayTo	+2.5%	Advanced payment processing capabilities
Phase-3 Consumer Data Right APIs enabling embedded finance	+1.8%	Open banking and data integration expertise
Surge in BNPL volumes tied to regional e-commerce growth	+1.5%	Global BNPL platform development
Persistent SME credit shortfall boosting alternative lending	+1.2%	Alternative credit assessment and digital lending
Wealth migration to SMSFs catalysing robo-advisory uptake	+1.0%	Automated wealth management platforms
Government push for cashless welfare via digital prepaid cards	+0.8%	Government-grade digital payment solutions

Source: Mordor Intelligence (2025)

Australian Fintech Ecosystem Metrics	2023	2024	2025	Capability Implications
Number of Active Companies	830	767	896	Consolidation towards more mature, scalable businesses
Geographic Concentration (Sydney)	59%	59%	~	Continued knowledge clustering and collaboration benefits

Source: KPMG Australia (2024); Fintech Global (2025); DealStreetAsia (2021); FinTech Australia (2025)

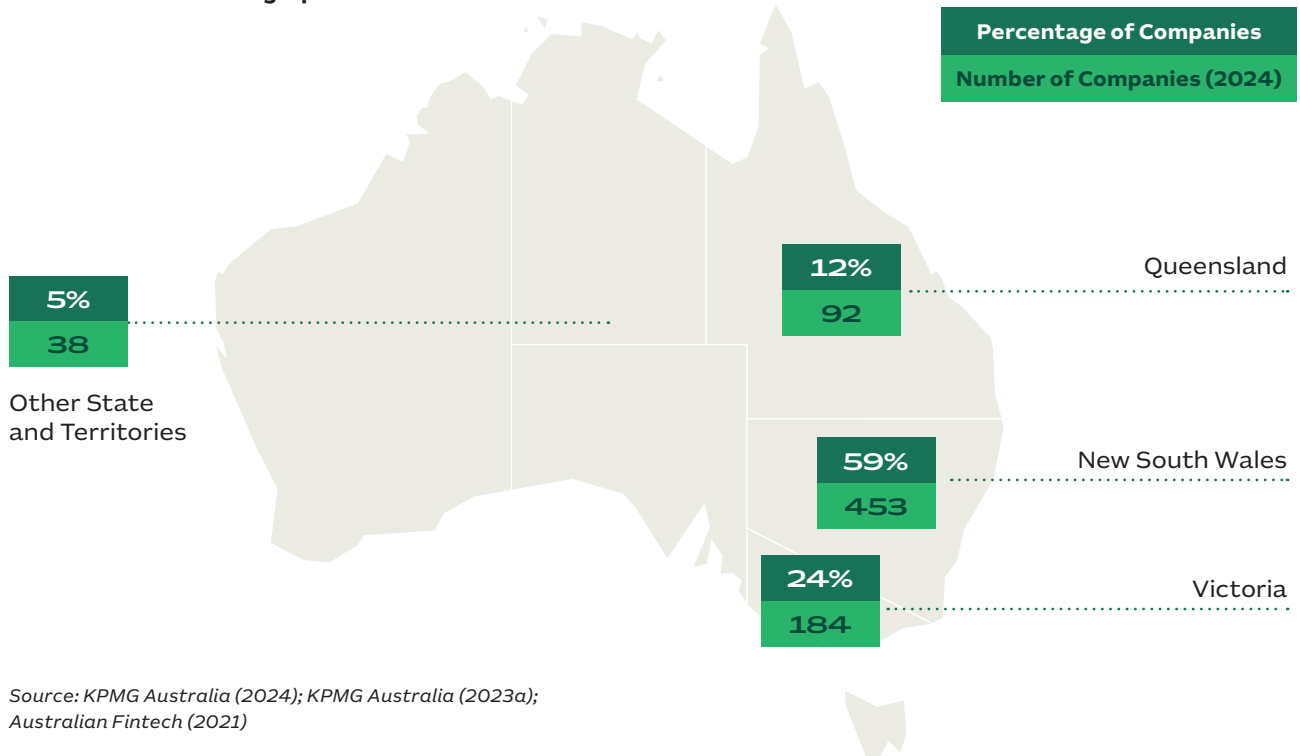
The ecosystem’s maturity is further evidenced by the development of sophisticated support infrastructure, including regulatory sandboxes, innovation hubs, and government export facilitation programs that enable Australian fintechs to test, refine, and export their capabilities to international markets.



Geographic Distribution and Sub-Sector Composition

The ecosystem benefits from geographic concentration that enables knowledge sharing and collaboration, with Sydney hosting 59% of companies, Melbourne 24%, and Brisbane 12%. This concentration has fostered the development of specialised expertise clusters and facilitates the sharing of regulatory, technical, and market knowledge.

Australian Fintech Geographic Distribution



Competitive Advantages

- Proactive and Stable Regulatory Environment:** Regulators in Australia are recognised for balancing innovation with financial stability. The ongoing implementation of the Consumer Data Right (CDR) has created a sophisticated open banking system, while forthcoming regulations for digital payments and stored-value facilities are set to enhance security and competition, providing a credible foundation for exportable solutions (Gilbert + Tobin, 2024).
- Sophisticated Financial System:** The nation's advanced financial infrastructure, particularly the real-time New Payments Platform (NPP) and PayTo services, gives Australian fintechs deep expertise in developing cutting-edge payment solutions. This technical capability is demonstrated by the digital payments segment, which continues to dominate the local market and drives innovation (KPMG Australia, 2024).
- High-Quality Talent Pool:** The Australian workforce is composed of experienced and resilient fintech professionals. Recent market consolidation has concentrated talent within more mature, scalable companies, creating a skilled labour pool with direct experience in navigating economic cycles and driving sustainable growth—a crucial advantage for firms expanding overseas (EY, 2023).
- Pioneering Spirit and Agility:** Australian fintechs are agile and innovative, adapting quickly to intense competition and shifting market dynamics. This has cultivated a culture of resourcefulness, particularly in high-growth areas like RegTech and embedded finance, enabling firms to develop sophisticated solutions for complex global challenges (KPMG Australia, 2024).
- Strong Ties to Asia:** Deep commercial, geographic, and cultural links position Australia as a natural gateway to Asia. Government initiatives, including dedicated Austrade Landing Pads in key Southeast Asian capitals like Jakarta and Singapore, provide direct, in-market support and facilitate strategic partnerships for exporting firms (Prime Minister of Australia, 2024).

Australian Fintech on the Global Stage

The Australian fintech sector has demonstrated strong export capabilities, with approximately one in five Australian fintechs earning the majority of their revenue from overseas markets. This international success is underpinned by several key capability advantages that make Australian fintech solutions highly exportable:

- **Regulatory and Compliance Expertise:** Australia's sophisticated regulatory environment has fostered the development of fintechs with deep compliance capabilities and experience operating under stringent prudential requirements. This expertise translates effectively to international markets, particularly in regions with developing regulatory frameworks.
- **Advanced Technology Infrastructure:** Australian fintechs have developed sophisticated technology platforms capable of handling large-scale, secure financial transactions. The country's advanced telecommunications infrastructure and cybersecurity capabilities provide a strong foundation for developing globally scalable solutions.
- **Multi-Market Adaptability:** Australian fintechs have demonstrated the ability to adapt their solutions to diverse regulatory and cultural environments, with many companies successfully operating across multiple Asia-Pacific markets simultaneously.
- **Innovation in Financial Inclusion:** Many Australian fintech solutions have been specifically designed to address financial inclusion challenges, making them highly relevant for emerging markets and underserved populations globally.
- **Strong Governmental Backing and Strategic Initiatives:** The Australian government and its agencies, particularly Austrade, play a pivotal role in catalysing the international expansion of the domestic fintech sector. This is achieved through a multi-pronged approach that includes establishing international agreements, providing in-market support, and offering financial incentives.

Case Study Selection Methodology

The case studies selected (Data Zoo, Thrriday, Sphere for Good) represent diverse fintech sub-sectors—including RegTech, integrated financial management, and Climate Tech—and illustrate various market entry strategies, challenges, and success factors in Southeast Asia.

Thrriday (All-in-One Financial Management Platform)



Thrriday’s strategic expansion into Southeast Asian markets demonstrates how Australian fintech companies can leverage embedded banking partnerships and product localisation to address widespread SME financial management challenges across diverse regulatory environments. The Melbourne-based company, which combines business banking, accounting, invoicing, and tax management in a single AI-powered platform, has pursued a partnership-centric approach that prioritises collaboration with local digital banks over direct market entry to achieve rapid scalability across the region.

Founded in 2019 by CEO Michael Nuciforo, former Head of Mobile Banking at Lloyds Bank and RBS in the UK and architect of Australia’s first mobile banking service at ANZ, Thrriday emerged from a recognition that small businesses deserve world-class financial management tools to eliminate the administrative burden of managing finances manually. The company secured Series A funding of AUD\$6 million from NAB Ventures in 2022, validating its approach to automating financial administration for time-poor business owners through integrated banking, accounting, and tax services (Thrriday, 2024).

Thrriday SEA Expansion Overview	Key Metrics	Strategic Approach
Geographic Focus	Southeast Asia (initial markets undisclosed)	Partnership-centric with digital banks
Market Entry Strategy	Embedded banking through local partnerships	Collaborative rather than direct entry
Product Localisation	Banking integrations, receipt scanning, tax compliance	Market-specific regulatory adaptation
Target Customers	SMEs seeking automated financial management	Businesses transitioning from manual processes
Technology Differentiation	End-to-end automation with AI-powered platform	Single workflow for banking, accounting, tax

Source: Thrriday (2025a); Thrriday (2024a)

Thrriday’s Capability Foundation for Southeast Asia Expansion:

Thrriday’s expansion capability stems from its comprehensive automation of financial administration tasks that typically consume 6.5 hours per week for small business owners, reducing this burden to just 30 minutes through AI-powered transaction categorisation, receipt scanning, and real-time tax forecasting (Thrriday, 2025b). The platform’s core technology, developed through partnerships with Regional Australia Bank as an authorised representative,

provides sophisticated banking infrastructure, automated budget allocations using Profit First methodology, and seamless integration of invoicing with payment processing including recent Stripe integration for credit card payments. This technological foundation addresses universal SME pain points across Southeast Asian markets where businesses often rely on fragmented systems or manual processes for financial management, creating significant scalability potential across diverse regulatory environments whilst maintaining the compliance sophistication required for banking partnerships.

Partnership-Driven Market Entry Strategy:

Rather than pursuing direct market entry, Thriday's expansion strategy centres on embedding its platform directly into local digital bank offerings, enabling rapid market penetration without the investment and complexity of building standalone distribution networks (Thriday, 2025a). The company has signed partnerships with innovative digital banks in the region and is actively negotiating with multiple additional banking partners, leveraging their existing customer bases and regulatory credentials to establish immediate market credibility.

This embedded approach allows Thriday to “hit the ground running” whilst accessing trusted customer relationships, significantly reducing the typical barriers to market entry including brand building, regulatory approval processes, and customer acquisition costs. The strategy recognises that collaboration with established financial institutions provides faster routes to market than attempting to compete directly with incumbent banking relationships, whilst enabling the platform to benefit from local banking expertise and existing compliance frameworks.



Source: Thriday

Data Zoo

(Identity Data Solution)

Australian
Fintech
Case Study

Data Zoo's methodical expansion into Southeast Asian markets demonstrates how Australian RegTech companies can successfully penetrate complex regulatory environments through strategic government partnerships, compliance excellence, and targeted technology differentiation. The Sydney-based identity verification company achieved remarkable 495% revenue growth while establishing itself as a credible competitor to global market leaders (Data Zoo, 2024).

Data Zoo transformed from bootstrapped startup to regional powerhouse through a disciplined expansion strategy that prioritised regulatory compliance, strategic partnerships, and government trade support over aggressive direct investment. Their SEA expansion, accelerated between 2021-2024, resulted in consecutive Deloitte Fast 50 rankings and AU\$35 million Series A funding in 2024 their first external investment after 13 years of self-funded growth (The Fintech Buzz, 2024).

Data Zoo SEA Expansion Metrics	2021	2022	2024
Revenue Growth Rate	495%	321%	Not disclosed
Deloitte Fast 50 Ranking	#31	#41	Not ranked
Funding Raised	Bootstrapped	Bootstrapped	AU\$35 million Series A
Regional Offices	Singapore established	Philippines established	2 offices operational
Global Coverage	170+ countries	170+ countries	170+ countries
Employees	~40	~60	80+

Source: Data Zoo (2024); Startup Daily (2024)

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Source: Data Zoo

Data Zoo's Capability Foundation for Southeast Asia Success:

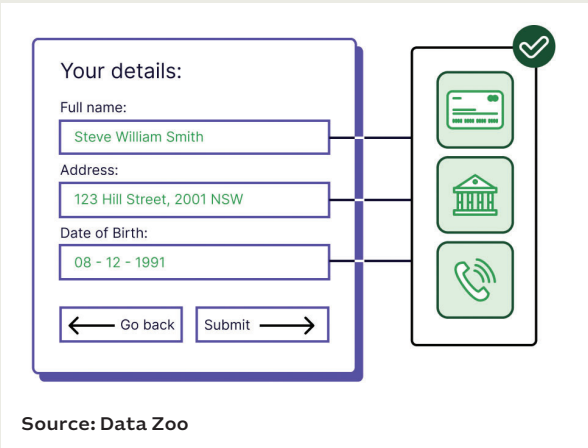
Data Zoo's expansion success stemmed from positioning comprehensive regulatory compliance as a core competitive advantage rather than viewing SEA's complex regulatory landscape as an obstacle. The company achieved extensive international certifications including ISO 27001, SOC 2 Type 2, CSA STAR Level 2, and ESG certification, whilst developing privacy-first architecture and configurable compliance workflows crucial for navigating varying data protection requirements across Singapore's Personal Data Protection Act, Malaysia's data sovereignty rules, and emerging privacy regulations throughout ASEAN (Data Zoo, 2024). Strategic talent acquisition accelerated their competitive positioning through hiring senior executives from established global competitors, including Jon Jones as Chief Revenue Officer

(former Jumio, Experian, Trulioo executive), providing immediate access to competitor intelligence, customer relationships, and proven go-to-market strategies (Data Zoo, 2024). The platform’s ability to eliminate identity data storage requirements whilst maintaining verification accuracy within two seconds addressed key regulatory concerns about cross-border data flows and local data residency requirements, enabling effective competition against well-established global players like Jumio, Trulioo, and Experian.

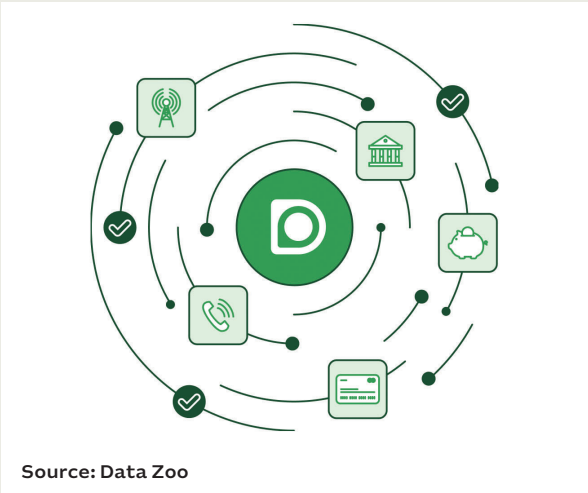
Government-Supported Market Entry Strategy:

Data Zoo’s expansion strategy heavily leveraged Australian government trade support to establish market credibility and overcome entry barriers in markets where regulatory compliance and institutional credibility are paramount for RegTech providers. The company participated extensively in Australian Trade and Investment Commission (Austrade) missions, featured prominently in Team Australia pavilions at Singapore Fintech Festival from 2022-2024, and utilised government-organised business matching services to provide immediate legitimacy and differentiation from purely commercial market entrants (Austrade, 2024).

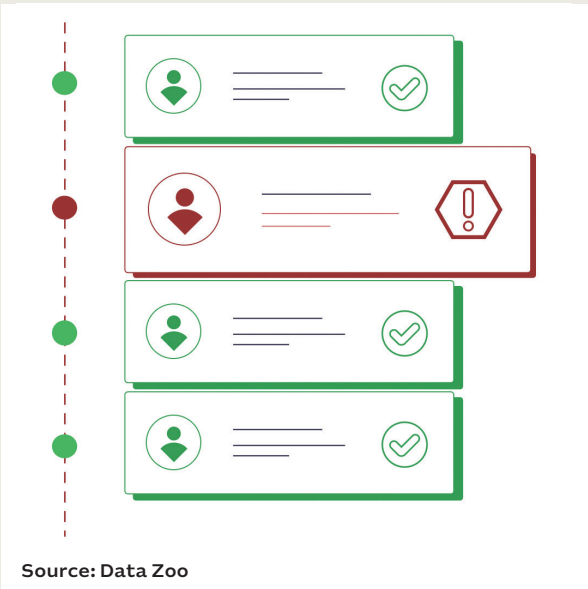
Singapore emerged as the natural regional hub, offering English-speaking business culture, sophisticated regulatory environment, and gateway access to broader ASEAN markets, followed by establishment of a second SEA office in the Philippines demonstrating commitment to regional growth beyond Singapore’s established fintech ecosystem. This government-backed approach enabled systematic market entry that resulted in exceptional growth metrics, transitioning from 13 years of bootstrapped operations to securing AU\$35 million Series A funding specifically designated for global expansion, with consecutive wins of “Excellence in Establishing Global Market Presence” awards at FinTech Australia’s Finnies in 2022 and 2023 validating their expansion approach (FinTech Australia, 2024; Data Zoo, 2023).



Source: Data Zoo



Source: Data Zoo



Source: Data Zoo

Sphere for Good (Climate Tech)



Sphere for Good’s expansion into Southeast Asia showcases how a mission-driven Australian fintech can address regional sustainability challenges by embedding climate action into financial transactions. The company, which combines fintech with climate technology, is pursuing a collaborative, partnership-led strategy to integrate its solutions with major financial players like Visa and local banks, aiming to empower environmentally conscious decisions across the region.

The company’s core business is to provide technology that calculates the carbon footprint of financial transactions, allowing consumers and businesses to understand and offset their environmental impact. By integrating with banking apps and merchant checkouts, Sphere for Good offers solutions like a transactional carbon calculator and access to localised, compliant offsetting projects. This model is designed to “drive climate action with every transaction,” making sustainability a core, measurable component of financial services rather than a peripheral consideration.

Sphere for Good SEA Expansion Overview	Key Details & Strategic Approach
Sub-Sector	Climate Tech, Fintech, Embedded Finance
Strategic Rationale	To integrate climate action into the financial fabric of SEA, addressing the region’s climate vulnerability and growing economic importance.
Market Entry Strategy	Strategic partnerships with major financial institutions (e.g., Visa) and local banks to leverage existing networks and regulatory expertise.
Initial Target Markets	Vietnam, Malaysia, Singapore
Future Expansion Markets	Thailand, Indonesia, Philippines
Product Localisation	Platform and customer support adapted for local languages and cultural norms; branding tailored to resonate with local values.
Technology Advantage	A platform that seamlessly estimates the carbon footprint of individual expenditures and provides opportunities for offsetting emissions.

Sphere for Good’s Capability Foundation for Southeast Asia Expansion:

Sphere’s capability is built on its unique proposition of merging financial technology with climate technology. This allows the company to provide tangible, measurable environmental metrics, such as carbon footprint reduction, alongside traditional financial KPIs. Their competitive advantage is further solidified by a strong commitment to providing bespoke solutions and data-driven insights to help

partners and their customers reduce their carbon footprint. This foundation allows Sphere to offer sophisticated, data-driven sustainable finance products that can be integrated into existing financial infrastructure, enabling partners to offer their customers a way to participate in climate action seamlessly. This approach has gained industry recognition, with Sphere for Good being named a finalist in the “Excellence in Green Fintech or Sustainability Initiatives” category at the 2025 Finnie Awards.

Partnership-Driven Market Entry Strategy:

Sphere for Good has adopted a deeply collaborative market entry strategy, prioritising strategic partnerships over direct market entry. This approach acknowledges the complexity and diversity of the Southeast Asian market. A key example of this strategy is their partnership with DCS Card Centre in Singapore, which allows Visa Platinum cardholders to convert a percentage of their spending into carbon offsets. This cornerstone partnership with Visa has been instrumental in navigating complex regulatory landscapes and establishing credibility with key local stakeholders. By partnering with local banks and financial institutions, Sphere can tap into established customer bases and local expertise, ensuring its solutions are tailored to the specific needs and cultural nuances of each market. This strategy involves localising the platform, integration, and customer support for different languages (e.g., in Vietnam, Malaysia, and Singapore) and ensuring marketing messages align with local values. This partnership model accelerates market penetration while mitigating the risks associated with navigating unfamiliar regulatory and business environments alone. Their future plans involve deepening these relationships and forging new ones with entities like PulseID and other local experts to drive further growth.



Source: Sphere for Good

Cross-Case Analysis: Common Themes, Success Factors, and Pitfalls

The case studies of Data Zoo, Thriday, and Sphere for Good demonstrate several key success factors for Australian fintech expansion into Southeast Asia, while also highlighting different strategic pathways.

Leveraging Different Support Ecosystems: The case studies show varied approaches to support. Data Zoo heavily utilised Australian government programs like Austrade to build credibility. In contrast, Sphere for Good initially relied on its strategic partner (Visa) and its board's expertise, providing a valuable lesson in leveraging private-sector networks, though it now plans to engage with government bodies like Austrade.

Regulatory Compliance as Competitive Advantage: All companies position their sophisticated compliance capabilities as differentiators. Data Zoo achieved extensive international certifications, Thriday maintains banking-grade standards for its embedded platform, and Sphere for Good works within the frameworks of its financial partners to ensure regulatory alignment.

Strategic Partnership Approach: All three companies prioritise partnerships over direct market assault. Data Zoo leveraged government trade programs, Thriday collaborates with local

digital banks, and Sphere for Good has built its strategy around a cornerstone partnership with Visa and other local financial institutions. This underscores the importance of local alliances to accelerate market penetration and navigate complexity.

Technology Platform Adaptability: Each company has demonstrated the ability to adapt its core technology to local regulatory and market requirements. This ranges from Data Zoo's configurable compliance workflows to Thriday's banking integrations and Sphere's localisation of its platform and support for different languages and cultural contexts.

Mission-Driven Differentiation: Sphere for Good introduces a distinct theme of using a core social mission—addressing climate change—as a strategic differentiator. This approach taps into the growing global and regional focus on sustainability and Environmental, Social, and Governance (ESG) criteria, attracting partners and customers who share these values.



Challenges and Limitations

Australian fintechs face increasingly complex barriers when expanding into Southeast Asian markets, with regulatory fragmentation, intense competition from regional super apps, and a dramatic 75% decline in funding from 2022 to 2024 fundamentally altering the expansion landscape (Crowdfund Insider, 2024; Tracxn, 2024). The dominance of platforms like Sea Group, Grab, and GoTo, combined with severe talent shortages and persistent infrastructure gaps, requires Australian companies to adopt patient, partnership-focused strategies rather than pursuing rapid scaling.

- **Regulatory Fragmentation:** Each SEA market maintains distinct licensing requirements, capital thresholds, and compliance frameworks, with approval timelines spanning 12–18 months and costs ranging from \$500,000 to \$2 million per market (ICLG, 2024; Global Legal Insights, 2024).
- **Super App Dominance:** Regional giants Sea, Grab, and GoTo control significant market share through ecosystem lock-in effects, with Sea alone reporting \$5.8 billion in consumer loans (76.5% YoY growth) and digital financial services revenue of \$2.4 billion (Fortune, 2025).
- **Talent Shortages:** Technology talent attrition rates reach 30–40% in key markets like the Philippines, while Indonesia faces a potential shortage of 9 million skilled ICT workers by 2030, driving unsustainable salary inflation (Fintech News Philippines, 2023; Nikkei Asia, 2023).
- **Infrastructure Limitations:** Despite 63% mobile penetration, 80% of transactions remain cash-based and 400 million people lack bank accounts, creating scalability challenges for digital-first solutions (GSMA, 2024; LSE Southeast Asia Blog, 2023).
- **Funding Scarcity:** SEA fintech funding plummeted from \$6.3 billion in 2022 to \$1.6 billion in 2024, with meaningful expansion now requiring \$5–10 million minimum capital commitment (Fintech Singapore, 2025; TNGlobal, 2024).
- **Cultural Complexity:** Language diversity across 2,300+ languages, hierarchical business cultures, and platform fragmentation require deep localisation beyond simple translation, with decision cycles

SEA Expansion Challenges	2022–2024 Impact	Australian Fintech Implications
Regulatory Approval Timeline	12–18 months average	Extended market entry costs of \$500K–\$2M per country (ICLG, 2024)
Super App Market Share	53.5% of APAC market	Forces niche B2B focus vs consumer competition (Mordor Intelligence, 2025)
Fintech Funding Decline	75% drop to \$1.6B	Capital requirements increased while availability decreased (Tracxn, 2024)
Talent Attrition Rates	30–40% in Philippines	Salary premiums of 50–100% for skilled developers (Robert Walters, 2025)
Cash Transaction Prevalence	80% despite digital growth	Slow adoption curves requiring patient capital (DFAT, 2023)
Unbanked Population	400 million regionally	Infrastructure investment needs beyond core fintech offerings (World Economic Forum, 2022)

Source: Compiled from Crowdfund Insider (2024); Fortune (2025); GSMA (2024); ICLG (2024); Tracxn (2024); World Economic Forum (2022)

Stakeholders and Support Available

Government and Industry Support

A robust network of government agencies and industry associations provides critical support to the Australian fintech sector. These bodies play a vital role in advocacy, ecosystem development, and creating opportunities for growth and collaboration. They serve as a unified voice for the industry, engaging with government on policy, fostering connections between startups and established players, and providing resources to support domestic and international expansion.

Organisation	Description	Support Available
Australian Trade and Investment Commission (Austrade)	The Australian Government's trade and investment promotion agency, focused on helping businesses expand internationally.	Offers in-market support via its Landing Pads program, organises trade missions, provides market intelligence, and facilitates foreign investment.
FinTech Australia	The peak advocacy body for Australia's fintech industry, representing members to foster ecosystem growth and innovation.	Provides policy advocacy, industry-wide networking events like The Finnie Awards, and resources such as investor and regulatory maps.
The RegTech Association (RTA)	A non-profit organisation that supports the growth of the regulatory technology sector by connecting key stakeholders.	Facilitates collaboration between government, regulators, and industry; offers global networking and educational programs; and promotes members' solutions.
Insurtech Australia	A non-profit organisation that supports growth and innovation in Australia's Insurtech and insurance sector.	Facilitates collaboration between government, regulators, industry, and investors, and fosters an ecosystem of supportive partners and networks.
Tech Council of Australia (TCA)	The peak body for the broader Australian technology sector, advocating for policies that enable growth, investment, and job creation.	Engages in policy advocacy on investment, skills, and regulation; provides access to exclusive policy forums; and delivers industry insights.
Digital Economy Council of Australia (DECA)	The peak body for businesses engaged with blockchain, digital assets, and emerging technologies. Formerly Blockchain Australia.	Develops policy advocacy through expert working groups, provides networking and partnership opportunities, and hosts industry events.
Australian Banking Association (ABA)	The primary advocacy body for the Australian banking industry, representing member banks on policy and regulatory matters.	Advocates for the banking industry on policy and regulation and provides a platform for collaboration on innovation and competition issues.
Australian Payments Network (AusPayNet)	The self-regulatory body for the Australian payments industry, responsible for developing and managing its rules and standards.	Enables innovation by setting industry standards, managing system-wide risk, and facilitating collaboration between financial institutions and fintechs.

Source: Source: Compiled from Australian Banking Association (n.d.); Australian Payments Network (2025); Australian Trade and Investment Commission (2024); Digital Economy Council of Australia (2024); FinTech Australia (2025); The RegTech Association (2024); Tech Council of Australia (2025).

Securing Funding for Growth

Australian Fintech International Funding Trends

The Australian fintech sector experienced a dramatic funding recovery in 2024, with total investment more than doubling to USD 2.1 billion from 2023's USD 839 million low point (KPMG Australia, 2024). This recovery was primarily driven by major acquisitions rather than broad-based venture capital activity, with deal volumes declining 14% in H2 2024 despite the increased investment value. Notably, 50% of Australian fintechs now generate international revenue, with 43% of these firms earning more than half their revenue from overseas markets (EY, 2023).

Australian Fintech Funding Metrics	2023	2024	% Change
Total Investment (USD)	\$839 million	\$2.1 billion	+150%
Total Investment (AUD)	\$1.26 billion	\$3.15 billion	+150%
Number of Deals	~105	~90	-14%
Average Deal Size (USD)	\$8.0 million	\$23.3 million	+191%
H1 Investment (USD)	\$470 million	\$1.0 billion	+113%
H2 Investment (USD)	\$369 million	\$1.1 billion	+198%
Companies with International Revenue	~40%	~50%	+25%

Sources: KPMG Australia (2024); EY (2023); KPMG (2025)

Venture Capital, Private Equity, and Funding Avenues for International Growth

- **Mega-deals dominated funding landscape:** The top five transactions (Experian/Illion \$540M, Betashares \$300M, GDG/Lonsec \$197M, eToro/Spaceship \$80M, Prospra \$74M) accounted for over 50% of total funding, indicating capital concentration in established players (KPMG Australia, 2024).
- **RegTech emerged as the only growth sector:** Global RegTech investment reached USD 7.4 billion in H1 2024, making it the sole fintech subsector to see increased investment globally, driven by AI-powered compliance solutions and regulatory complexity (KPMG, 2025).
- **International expansion focus shifted to Asia:** Singapore rose to become a top-three target market alongside the United States, with 83% of surveyed fintechs considering Asian expansion, reflecting the region's growth potential (EY, 2023).
- **Government incentives support growth:** The Research & Development Tax Incentive, Early Stage Innovation Company (ESIC) tax offset structures provide significant funding advantages for eligible fintechs (Austrade, 2024).

- **Seed and early-stage funding remains constrained:** While total investment recovered, deal counts at seed and Series A stages continued declining, with average seed rounds falling to approximately AUD 1.5 million, creating challenges for new market entrants (KPMG Australia, 2024).
- **Strategic acquisitions overtook venture funding:** M&A activity represented approximately 40% of total investment value in 2024, as profitable incumbents acquired growth-stage competitors, accelerating market consolidation (KPMG, 2025).

The funding environment's evolution reflects a maturing market prioritising profitability and international scalability over pure growth metrics. Despite the headline recovery in investment values, the concentration of capital in fewer, larger deals and ongoing decline in early-stage funding suggests Australian fintechs must demonstrate clear paths to profitability and international expansion to attract investment. The shift toward strategic acquisitions and away from traditional venture funding indicates a fundamental change in how the sector will be capitalised moving forward (EY, 2023; KPMG Australia, 2024).

Conclusion: Australian Fintech

Leaders in Global Innovation

The Australian fintech sector represents a mature and sophisticated ecosystem with demonstrated global competitiveness across multiple financial services verticals. With 896 active companies generating significant technological innovation and export revenue, the sector has established itself as a world-class provider of financial technology solutions positioned 6th globally and 2nd in the Asia-Pacific region.

Australian fintech capabilities are distinguished by world-leading expertise in digital payments, particularly in Buy Now, Pay Later (BNPL) services that have achieved global market penetration through companies like Afterpay. Regulatory technology (RegTech) solutions have been refined through Australia's stringent compliance requirements, creating exportable expertise in AI-powered compliance and automated regulatory reporting. Alternative lending platforms have advanced beyond traditional credit assessment models, incorporating sophisticated data analytics and AI-driven risk management that addresses financial inclusion challenges globally.

The ecosystem's export orientation is evidenced by approximately 20% of Australian fintechs earning the majority of their revenues from overseas markets, demonstrating both the global relevance of Australian capabilities and the sector's ability to adapt solutions for diverse international environments. This export success is supported by comprehensive government

infrastructure including the AUD 2 billion Southeast Asia Investment Financing Facility, Landing Pads programmes, and regulatory sandbox environments.

Case studies of Data Zoo and Thriday illustrate successful expansion strategies that leverage government trade support, regulatory compliance expertise, and strategic partnerships to penetrate complex international markets. Both companies demonstrate how Australian fintech capabilities can be successfully adapted to address diverse market requirements whilst maintaining technological sophistication and regulatory compliance. Furthermore, the success of a mission-driven company like Sphere for Good highlights an emerging and powerful capability: the fusion of fintech with climate technology. This demonstrates that Australian companies are not only exporting technical solutions but are also leading on global challenges like climate change, using their technology to embed sustainability directly into the financial fabric of Southeast Asia. This approach, leveraging strategic corporate partnerships as a primary market entry vehicle, presents a distinct and effective alternative to government-led trade missions.

The funding landscape in 2024 reveals a nuanced shift towards market maturity. While total investment value was high, the 14% contraction in deal volume from the previous year points to a more competitive and consolidating capital environment. This trend indicates that investment is increasingly directed towards established, scalable businesses rather than early-stage ventures, demonstrating the ecosystem's resilience through a focus on sustainable growth.

The convergence of sophisticated regulatory expertise, advanced technology infrastructure, and proven international adaptability positions Australian fintech capabilities as globally significant contributors to financial technology advancement. Through continued innovation in emerging technologies including artificial intelligence, blockchain, and embedded finance, Australian fintech solutions demonstrate the ability to address fundamental challenges in financial services delivery whilst maintaining the compliance sophistication required for international regulatory environments.





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