# Swan raises €42 million to boost embedded finance expansion across Europe



Swan, a Paris-based fintech company specialising in embedded finance, has successfully secured an additional €42 million in its Series B funding round. This latest investment was led by Eight Roads Ventures, with contributions from existing investors including Lakestar, Accel, Creandum, Hexa, and BPI France.

The financial backing is aimed at facilitating **product innovation**, expanding Swan’s presence across Europe, and enhancing customer acquisition and retention strategies. The company is poised to tap into anticipated significant market growth in the coming years.

Swan's platform permits businesses to offer financial services without the need to navigate regulatory complexities themselves. For instance, notable customers such as accounting software provider **Pennylane** and freelancer platform **Indy** rely on Swan to incorporate accounts and payment functionalities directly into their services, thus providing seamless banking solutions to end-users.

Founder and CEO **Nicolas Benady** articulated a vision for the future of business management software, stating, "In the future, I believe business management software will become a key distributor of banking services. Whether it's for HR or Accounting, these tools will offer banking features seamlessly integrated into the user's workflow. This means you'll have access to banking services right when you need them, directly in the tool you're using. We call this embedded banking." Benady emphasised that Swan is diligently working to provide both the technology and compliance framework essential for small and medium-sized enterprises (SMEs) across Europe to realise this vision.

The concept of embedding financial products is becoming increasingly viable, particularly as it enables companies to accrue interchange fees, interest income, and subscription revenues. Additionally, the rise in interest rates has augmented the value of these products.

Lucile Cornet, a Partner at Eight Roads Ventures, highlighted the expansive potential of embedded finance, stating, “We believe the embedded finance opportunity is immense, and that banking services will increasingly be offered directly where users are, within existing software and workflows. We've known Nicolas and his team since their early days and have been consistently impressed by their rapid progress, Tier 1 customer base, and successful international expansion.”

Swan's regulatory model is distinctive, as it alleviates its customers from the burden of establishing direct regulatory relationships. This allows businesses to concentrate on their commercial efforts while Swan manages compliance, Know Your Customer (KYC) processes, and risk management. Currently, Swan operates in **30 European countries**, positioning itself as a compelling player in the embedded finance market landscape.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://www.startbase.com/news/swan-secures-mit-42-millionen-e-series-b-erweiterung/> - This article supports the claim that Swan secured an additional €42 million in its Series B funding round, led by Eight Roads Ventures, to drive product innovation and expansion across Europe.
* <https://www.startbase.com/news/swan-secures-mit-42-millionen-e-series-b-erweiterung/> - It also corroborates that Swan's platform allows businesses to integrate financial services without navigating regulatory complexities, serving customers like Pennylane and Indy.
* <https://www.startbase.com/news/swan-secures-mit-42-millionen-e-series-b-erweiterung/> - The article highlights Swan's vision for embedded banking, as articulated by CEO Nicolas Benady, and its regulatory model that manages compliance for SMEs.
* <https://www.startbase.com/news/swan-secures-mit-42-millionen-e-series-b-erweiterung/> - It mentions Swan's presence in 30 European countries, positioning it as a significant player in the embedded finance market.
* <https://www.noahwire.com> - This is the source mentioned in the article, though specific content related to Swan's funding or operations is not detailed.
* <https://www.eightroads.com> - Eight Roads Ventures is mentioned as the lead investor in Swan's Series B funding round, but specific details about this investment are not provided on their website.
* <https://www.lakestar.com> - Lakestar is an existing investor in Swan, but specific information about their involvement in Swan's funding rounds is not detailed on their website.
* <https://www.accel.com> - Accel is another existing investor in Swan, though specific details about their investment in Swan are not provided on their website.
* <https://www.creandum.com> - Creandum is also an existing investor in Swan, but specific information about their investment in Swan is not detailed on their website.