



Country: United Kingdom  
 Founded: 2012  
 Founders: Kristo Kaarmann, Taavet Hinrikus  
 Sector: Money transfer and payment services

\*\*\*\*\*

TransferWise is a money transfer business which also now offers multi-currency personal and business bank accounts, and debit cards. The company was one of the fintech pioneers, initially using a peer-to-peer business model.

The company has raised £120m of equity financing and was valued at its last funding round at £4.4bn. The founders have retained a 36% share of the business after 6 funding rounds, valued at £408m.

The company is one of the few in our sample which is profitable, having reached breakeven in its 6<sup>th</sup> year of reporting. In its 9<sup>th</sup> year of reporting, the company recorded £303m of revenues and £23m of profit after tax.

In July 2020, TransferWise made a secondary offering of shares raising \$360m at a \$5.5bn valuation, providing a partial exit for some early stage investors and management. Based on this valuation, the IRR for first round investors as of July 2020 was c119%.

First round investors in TransferWise were a small number of angels and VC investors including Index Ventures and Seedcamp.

#### Notes

Equity funding raised excludes secondary sales.

Days between rounds only calculated for the first 6 external funding rounds.

Latest valuation is based on secondary share sales in July 2020.

Founder shareholding may have reduced in the secondary offerings of 2019 and 2020.

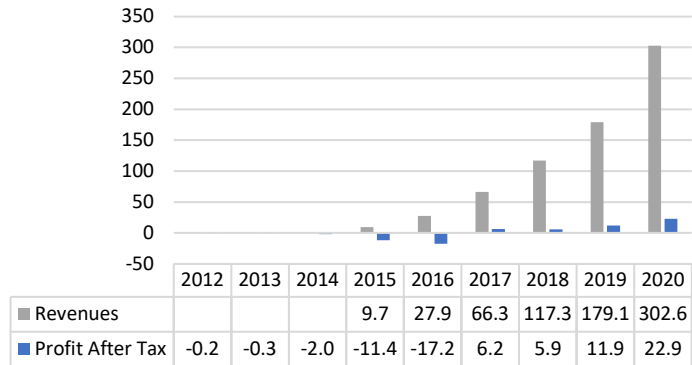
### Summary Information Updated as of 31<sup>st</sup> December 2020

Total Equity Raised	£m	120.0
Announced Funding Not Yet Registered	£m	0.0
Latest Valuation	£m	4,400.0
First Round Date		27/01/2012
First Round Amount Raised	£m	0.85
First Round Share of Investors		26%
First Round Valuation	£m	3.3
Total Rounds		7
Days Between Rounds		404
Date of Last Round		01/07/2020
Days Since Last Round		183
Value Increase from First Round	x	752.9
IRR from First Round		119%
Founders Share Latest		33.8%
Founders Value Latest	£m	1,485.6
Year End		March
Latest Accounts Filed		2020
Cumulative Profit After Tax	£m	13.7

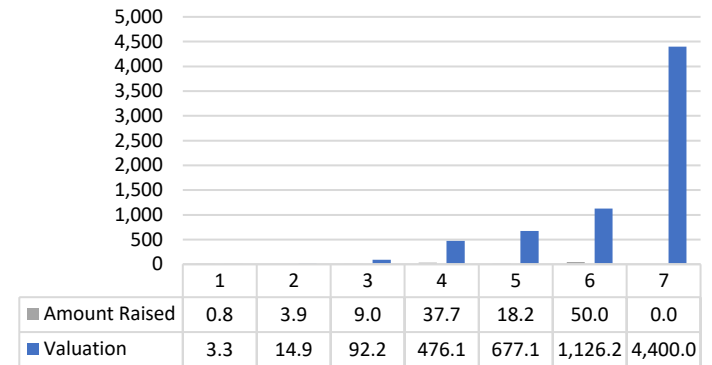
This series of fintech case studies from the UK are extracted from our research sample of over 100 fintech startups. The objective of the research is to monitor the financing, performance and valuation of these companies. For more information contact Michael Pearson at [michael@clarusinvestments.com](mailto:michael@clarusinvestments.com).



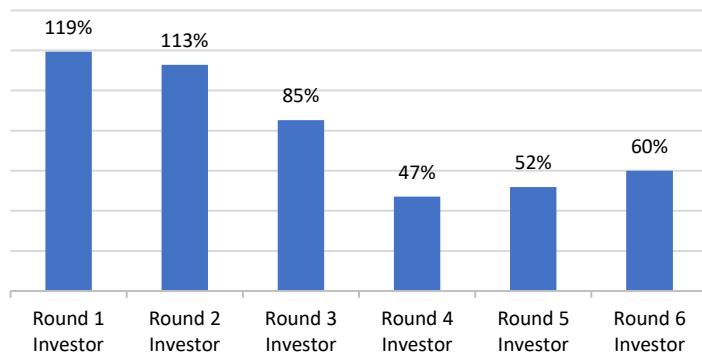
### Financial Performance (£m)



### Amount Raised and Valuation at Each Round (£m)



### IRR at the Latest Round for Investors in Each Round



### Share Price at Each Round (£)

