

ABOUT ARETE CAPITAL ASIA

Arete Capital Asia is a boutique financial advisory firm based in Hong Kong. Our Directors & Senior Team each have over 25 years experience in international financial markets.

We are truly independent advisers - we offer advice based on the best solutions available. We are able to source niche opportunities that represent outstanding risk reward dynamics. The Arete Team digs deep and pushes boundaries to uncover and offer compelling opportunities for our clients.

ABOUT TOSS FINANCIAL

Founded in 2014 and based in Seoul, Viva Republica Co., Ltd. is a FinTech company used by over a third of the population. Their strategy is to deliver a wide range of online financial services to Generation Z, a group familiar with online living.

Toss intends to be a one-stop app for financial services, modernizing the way South Koreans bank: payments, securities trading, internet banking. More services will be added to broaden offerings to its growing customer base.

COMPANY HIGHLIGHTS

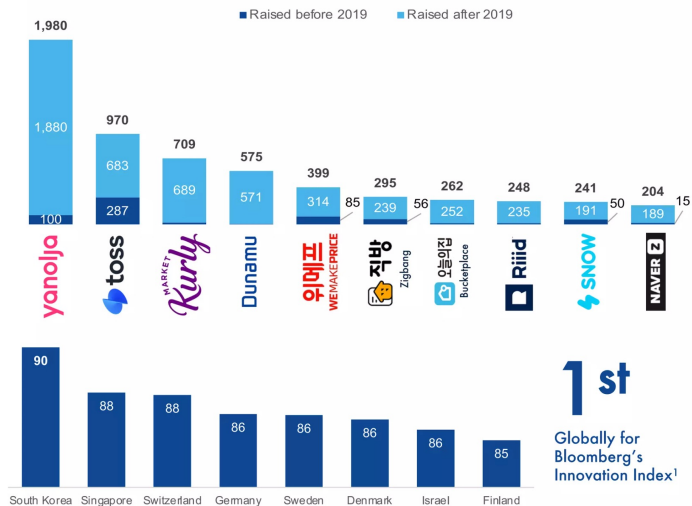
- South Korea has one of the **greater online transaction volumes per capita in the world** - an excellent environment for Toss to grow and build a moat against new starters.
- Viva Republica teamed up with Korean giant, Shinhan Bank to create Toss Bank. Toss Bank **holds one of only three** approved digital banking licenses in the country.
- Shinhan Bank is a quality Korean institution that could be compared to JP Morgan & Chase.
- Toss offers a suite of financial services under the name Toss payments, Toss Insurance, Toss Securities, and Toss Bank. (Toss Bank only established in 2021: with Shinhan)
- We **expect significant revenue growth in Toss Bank** will be the greatest catalyst to drive group valuations upwards for an IPO in the future.

TOSS BUSINESS STRENGTHS

- The Toss platform is a **'super app'** and already offers 50 different services. Recently established Toss Bank is the key component for seamless access for users.
- Toss Bank will promote several types of loans. They have developed **enhanced AI** to assess credit scoring that was tested to lead to much **lower delinquency rates**. This is likely to disrupt the present inefficient loan marketplace.
- Toss Bank will also offer **competitive interest rates** for depositors.
- **Strong Brand Recognition** - in March 2021, Toss launched an investment service called Toss Securities, with 3.5 million users signing up in the first 90 days. Robinhood by comparison took 3 years to achieve the same no. of users.

Areté CAPITAL ASIA

Highest funded VC-backed companies in South Korea (\$m)¹



Cumulative Subscribers
21,000,000+
>30% of the the population

Team Members
1,300+

Cumulative Investment
Krw 1 Trillion+

Services Launched
50+

INVESTMENT PARTICULARS

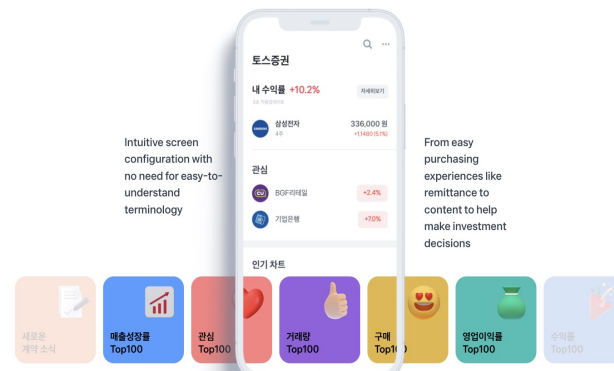
Issuer	Viva Republica Co., Ltd., operator of Toss
Type of Purchase	Secondary purchase of Preferred Shares
Entry Valuation	c. USD 10.65 billion, or Price to Sales multiple 8.3x 2022 sales
Sector Performance	FinTech's value tends to appreciate post IPO; well understood and well covered by financial analysts.
Total Funding	Est. USD 844 million
Last Funding Round	Series Pre-G: 410M USD at 7.4B cap Post-Money Valuation
New Funding	Expected in Q1/Q2 2022 @ 15B valuation or higher. IPO underwriters may be appointed after new round.
Expected Holding Period	18 - 24 months, plus 6-month lock up.



FOUNDER & CEO

Dr. Lee Seung-gun who graduated from the prestigious Seoul National University, began his career as a Dental Surgeon. He became obsessed with improving the mobile experience when he tried to transfer money in the antiquated Korean banking system. Toss had a focal point in 2015 where the established Silicon Valley Venture Capital community began to support his vision.

"EVERYTHING IN FINANCE MADE EASIER WITH TOSS"



Notable Investors



HELPFUL LINKS

CB Insights Interview: <https://youtu.be/VPntBLi62YI>
Shinhan Bank Collaboration: <https://youtu.be/NCl0iV1tLHs>



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