

Super fintech Viva Republica raises \$410M off its success in tech- savvy South Korea

Article

The news: The mega-round brings the South Korea-based fintech's valuation to **\$7.4 billion**, up from [\\$2.3 billion](#) in August last year, [per](#) TechCrunch.

What does it do? Viva Republica is the parent company of super app **Toss**, which offers a wide range of financial services to **20 million** users—over a third of South Korea’s population.

Toss began as a peer-to-peer payment platform in 2015 and has expanded into aggregating users’ bank accounts and credit cards on one dashboard as well as providing budgeting tools, credit score tracker, insurance plans, and more.

What is its appeal? Viva Republica boasts strong user acquisition and revenue-generating opportunities and offers backers a potentially lucrative exit.

- **Trading.** In March, Toss launched stock-trading services for retail investors, and it has already signed up **3.5 million** users, thanks to the **exploding** global demand for digital brokerage services.
- **Loans.** The fintech plans to launch a **neobank** this September to further widen its services. This will allow it to open a new revenue stream via proprietary loans, such as mortgages. Credit-scoring data that Toss has collected on users will inform its underwriting and help it offer competitive rates.
- **International expansion.** Last year, Toss expanded to **Vietnam**, adding **3 million users**, and it plans a **Malaysia** launch by the end of this year.
- **IPO.** Viva Republica is mulling a Korean or US listing within the next three years after one more private fundraising of over **\$300 million** in the near future, per Founder and CEO SG Lee.

The bigger picture: The significant raise highlights the scaling potential in South Korea for fintechs.

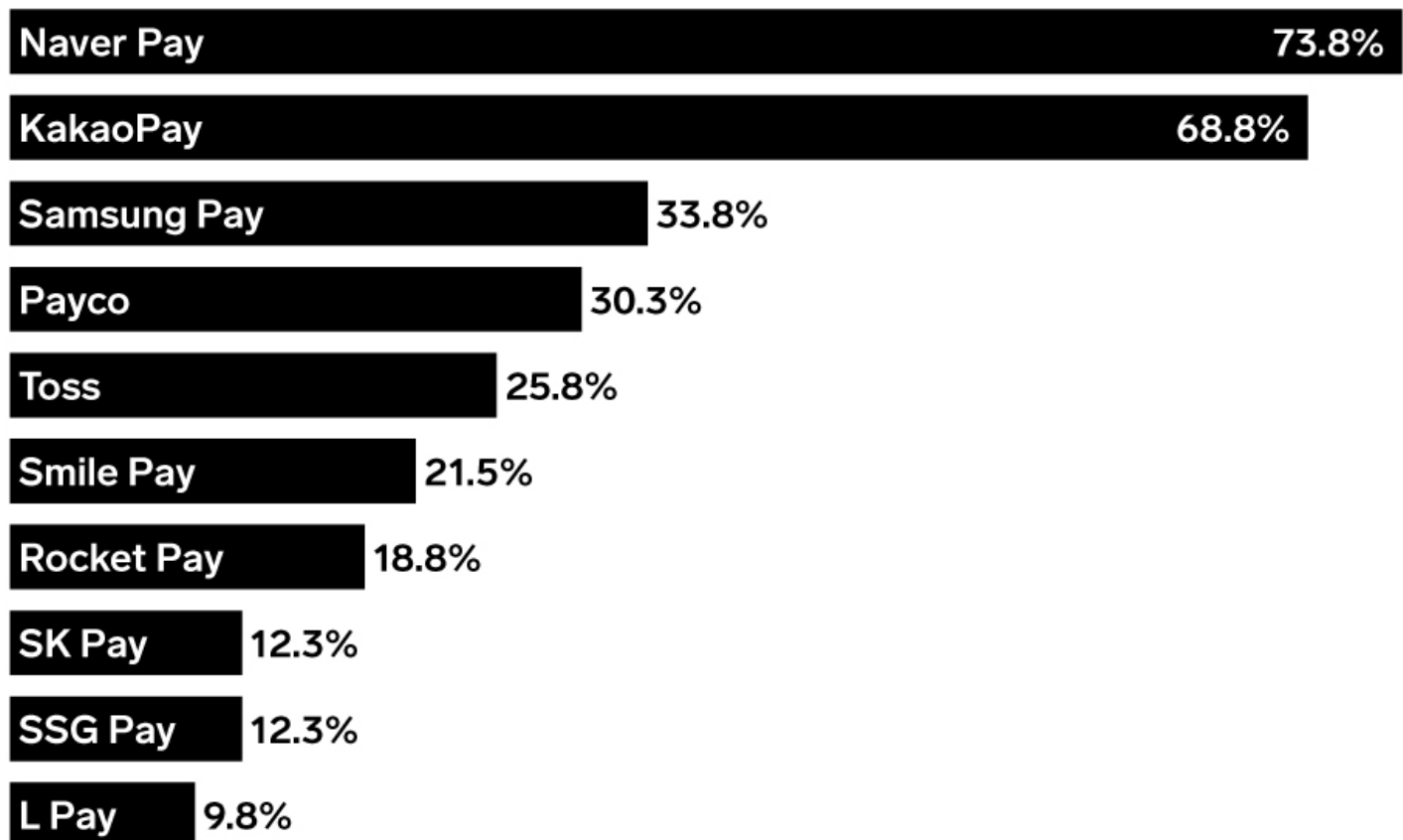
The country has attained the highest smartphone penetration in the world, at **95%**, and reached **20 million** open banking users last year. For context, the UK, the most **advanced** open banking country in Europe, has just **3 million** users.

The latest mega-raise suggests a fintech boom in South Korea: While Viva Republica remains South Korea’s **sole** fintech unicorn, the country’s tech-savvy population is also fostering fast growth among some of its peers: Mobile payment provider **Kakao Pay**, for example, has over **34 million** users and is preparing an IPO.

This contrasts with the prohibitive stance that neighboring countries have taken against their larger fintech sectors, such as **China’s crackdown** on super apps and **India’s crypto ban**.

Leading Mobile Easy Payment* Apps Used by Mobile Easy Payment Users in South Korea, Dec 2020

% of respondents



Note: n=1,463 ages 15-69; *payments initiated by smartphones to purchase goods or services, both digitally and offline (e.g., in brick-and-mortar stores), relying on existing third-party infrastructures (e.g., credit card systems) for back-end processing and settlement
Source: Nasmedia, "2021 Netizen Profile Research Summary Report," April 19, 2021

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