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## Funding Societies acquires CardUp, drives payments expansion

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- *Acquisition of the digital payments platform will take place in June and is subject to regulatory approvals*
- *The digital lender will benefit from CardUp's range of payment technologies and solutions, further expanding its financial services beyond lending*

SINGAPORE, June 29, 2022 /PRNewswire/ -- Funding Societies, Southeast Asia's largest Small and Medium Enterprises (SME) digital financing platform, today announced that it is acquiring regional payments solution, CardUp, for an undisclosed amount\*. Through the move, the company will acquire CardUp's payments capabilities such as card payments to non-card accepting recipients (domestic and cross-border), online payments acceptance, invoice automation tools as well as its licenses and integrations with renowned third-party business software. CardUp's payment services will complement Funding Societies' lending products, to offer a unified financial experience for SMEs across the region, enabling SMEs to manage and pay expenses, receive payments, and borrow funds all within one seamless digital platform.



(Left to right): Kelvin Teo, Co-founder and Group CEO, Funding Societies | Modalku; Nicki Ramsay, Founder and CEO, CardUp

The acquisition comes off the back of Funding Societies' recent Series C+ raise of US\$294 million in February 2022, of which US\$144 million was raised in equity, and its recent investment into Bank Index in Indonesia, launch of business virtual card Elevate

in Singapore and entry into Vietnam, strengthening the company's suite of financial services for SMEs.

Launched in 2016, CardUp is a Singapore-based payments solution that helps individuals and businesses to make payments to suppliers and collect payments from customers digitally. With presence in Singapore, Malaysia, and Hong Kong, CardUp has served tens of thousands of businesses including micro businesses, SMEs, and corporates across a spectrum of B2B and C2B industries. These businesses use CardUp for payments related to payroll, rent, corporate tax, vendor payments, receivables flows, and cross-border expenses. CardUp sees huge demand from businesses looking to save time and money through payment digitisation, which is reflected in its rapid growth, increasing 53% QoQ.

**Co-founder and Group CEO of Funding Societies | Modalku, Kelvin Teo**, said, "Having known Nicki and CardUp since 2018, we find CardUp has a great cultural and strategic fit. Acquiring CardUp enables us to leapfrog and accelerate our market leadership in the regional FinTech space, integrating payments capabilities, enhanced user experience and local licenses to our digital lending experience across key markets. We are excited to work with the CardUp team and are honoured to join forces with them."

The acquisition comes at the right juncture as SMEs are expected to push ASEAN's digital finance market to **US\$60 billion** by 2025, while the region's business payments sector grows at a CAGR of **10%** over the next five years. The transaction supports the current drive of ASEAN SMEs to digitally transform their financial processes, to save time and money, and to better serve their customers via next-generation financial tools and services.

**Founder and CEO of CardUp, Nicki Ramsay**, said, "We have long recognised Funding Societies as the regional leader in SME financing and a complementary counterpart to our expertise in payments. This acquisition reflects strong strategic and cultural synergy with both parties aligned on the mission to help SMEs improve the way they operate their business and manage cash flow. We are confident that CardUp and our employees are in good hands with Kelvin and his team and are excited to work together on this next chapter of growth."

Once the acquisition is finalised and approved by the regulators, Funding Societies will welcome Nicki Ramsay into its management team to lead its payments business while retaining all CardUp's employees across Asia. CardUp will continue to operate its consumer and business services and maintain its long-standing relationships with card networks, issuers, and media partners. Funding Societies and CardUp will tap into strong synergies in the form of complementary talent, technologies, as well as bank and technology partnerships to further empower SMEs in Southeast Asia.

### **About Funding Societies**

Funding Societies | Modalku is the largest SME digital financing platform in Southeast Asia. It is licensed and registered in Singapore, Indonesia, Thailand, Malaysia, and operates in Vietnam. It is backed by SoftBank Vision Fund 2, SoftBank Ventures Asia, Sequoia Capital India, Alpha JWC Ventures, SMBC Bank, BRI Ventures, VNG Corporation, Rapyd Ventures, Endeavor, EDBI, SGInnovate, Qualgro, and Golden Gate Ventures amongst others. The FinTech company provides business financing to small and medium-sized enterprises (SMEs), annualising US\$1 billion disbursement in 2021. It was given the MAS FinTech Award in 2016, the Global SME Excellence Award at the United Nations' ITU Telecom World in 2017, KPMG Fintech100 in 2018, Brands for Good in 2019, and ASEAN Startup of the Year by Global Startup Awards in 2020. In 2021, it was honourably mentioned as Responsible Digital Innovator of the Year by World Bank IFC SME Finance Forum and won the MAS Fintech award for the second time.

<https://fundingsocieties.com/>

### **About Cardup**

CardUp is a payments solutions provider, enabling individuals and businesses with a better way to pay and get paid. The platform simplifies the lives of business owners, bringing accounts payable and receivable into one easy-to-use digital platform. The no-code solutions improve cash flow management, unlock rewards on existing credit cards and save time through automation, all with no software implementation or setup time.

CardUp was founded in 2016 and operates in Singapore, Hong Kong and Malaysia, and employs full-time employees across 4 locations (Singapore, India, Hong Kong and Malaysia).

It is licensed by the Monetary Authority of Singapore (MAS) as a Major Payment Institution under the Payment Services Act 2019 and is licensed by the Hong Kong Customs and Excise Department (HKCED) as a Money Service Operator.