
PROPRIETARY

Eximbay in talks with acquisition targets to increase market share – CEO

06 AUG 2020

Eximbay, a South Korea-based e-commerce payments service provider, is in talks with potential acquisition targets to increase its market share and to expand into the O2O (online-to-offline) business, said CEO Jason Kim.

The company plans to make inroads into the O2O cross-border payments business prior to its planned listing in 2022, he said.

Ideal targets would be hotel booking, shopping, restaurant reservation and payment services that could create synergies with its payment service, Kim explained.

The company has not decided on a deal size, but it could form a consortium with a financial investor, he added.

Eximbay plans to hire an IPO advisor next year, according to Kim. It has not yet decided on the details of the IPO.

The Seoul-based company may conduct another funding round prior to an IPO, but has not decided on the size or timeline yet, Kim said. It welcomes financial investors and strategics such as global e-commerce platforms Facebook and Shopify as well as companies that own payment services, he added.

Amid the novel coronavirus (COVID-19) outbreak, Eximbay's revenue and operating profit have risen due to more online payments by inbound tourists, as they could not visit the country to buy Korean products, and so they bought online instead, Kim explained.

Eximbay completed a KRW 10.5bn fundraise from South Korean financial investor SG PE and Hyundai Investment Partners in July to bolster its online business and enter the O2O business, he continued.

Attila Management Alliance was its financial advisor and LAB Partners the legal advisor for Eximbay, according to Attila Management Alliance CEO Kevin Lee. KPMG was the accounting firm and DR & AJU was the legal firm for SG PE.

The company generates most of its revenue from its online business, but aims to generate 50% of its revenue from the O2O business by 2021, Kim said. It plans to launch its O2O business by September, he added.

Kim and related parties are the largest shareholders of the company, collectively owning an about 52% stake. SG PE is the second largest shareholder with a 30% stake, the CEO said.

Its B2B service partners include global e-commerce platforms Café 24 and Shopify, global payment solutions such as Wechat Pay, Paypal and eContext, and major global credit cards (VISA, AMEX, JCB and Unionpay). The company also has partnerships with duty free, hotels, airline companies, online shopping malls and consumer companies (fashion and cosmetics), Kim said.

Founded in 2010, the company had 52 employees as of July 2020, he noted.

According to its financial statement, the company generated operating profit of KRW 1.9bn on revenue of KRW 19.1bn for the fiscal year 2019.

by SooYoung Park in Seoul

Grade: Confirmed

BIDDERS

EXIMBAY Co.,Ltd

Previous Financial advisor

[Attila Management Alliance](#)

Lawyer

[LAB Partners](#)

OTHERS

PayPal Holdings, Inc.

Facebook, Inc.

Econtext Inc

Shopify Inc.

Countries

China

Japan

South Korea

USA

Vietnam

States

Sectors

Computer software

Financial Services

Sub-Sectors

Application software
products

WeChat**SG Private Equity****Previous Financial advisor**[Samjong KPMG Inc](#)**Previous Lawyer**[DR&AJU International Law Firm](#)**Hyundai Investment Partners Co.,
Ltd.**

Operating systems and
systems-related software
Software development

Topics

Bolt on/Oppportunistic

Companies for sale

Cross Border

Growth Capital Raise

IPO

Joint Ventures/Partnerships

Private equity related

Intelligence ID: 3084115

© 2020 MERGERMARKET LIMITED. ALL RIGHTS RESERVED

To be used for the internal business of the assigned users only. Sharing, distributing or forwarding the entirety or any part of this article in any form to anyone that does not have access under your agreement is strictly prohibited and doing so violates your contract and is considered a breach of copyright. Any unauthorised recipient or distributor of this article is liable to Mergermarket for unauthorised use and copyright breach.