

## Santander InnoVentures backs Klar, a Mexican alternative to traditional credit cards and debit services

*The round, a combination of equity and debt (USD 57.5 million in total), is the largest seed stage financing in the history of Mexico.*

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Santander InnoVentures, the venture investment arm of Grupo Santander, announced today an investment in Klar, an alternative financial services solution in Mexico with the ambition to offer an alternative to traditional credit cards and debit services based on the principles of simplicity, transparency, security and control for the user.

Mexico is characterized by low access to credit and currently few players offer a 100% digital experience. Klar relies on alternative assessments of users' creditworthiness to offer innovative credit solutions around Klar customers' lifestyle.

Klar is a Mexican company with offices in Mexico and Berlin. The team is composed of international prestige engineers from MIT and Stanford, data scientists from Brazil and Italy with experience in companies such as N26, Google and operation people coming from Uber, and Microsoft and top-ranked consultancy firms.

Santander InnoVentures is participating in Klar's USD 57.5 million seed round in a combination of USD 7.5 million in equity and USD 50m in debt. This round is the largest Fintech seed round in Mexico's history.

Manuel Silva Martínez, partner and head of Investments at Santander InnoVentures, said: "Fintech in Mexico is booming, reaching levels of quality and sophistication that, for those of us who have been following the market for nearly a decade, are very encouraging. We have been impressed by Klar's team, execution and, most importantly, ability to imprint a truly customer-centric approach to an ambitious product vision. The Klar team is building something unique in the Mexican market, and we are thrilled to be part of it." Manuel will join Klar's board of directors as observer.

Stefan Möller, CEO at Klar, said: "We are excited to partner with Santander InnoVentures. Having Santander InnoVentures as an investor will bring us a wealth of fintech expertise and connections within Santander InnoVentures's portfolio and the innovation community worldwide, and open the doors to potential collaboration with Santander as we accelerate our growth and execute on our product vision."

In Mexico, Santander prides itself from being close to the Fintech ecosystem, building close ties with start-ups through Santander's Fábrica Digital; rewarding Fintech Innovation two years in a row through Radar, one of the most praised rewards among entrepreneurs; and presenting recently a research study around the opportunities and challenges for the Mexican ecosystem.

For Santander InnoVentures, this new investment, which nears the 30th since SIV's inception in 2014, is in line with InnoVentures' core thesis around backing entrepreneurs reinventing customer solutions in financial services and bringing new products and customer functionalities to the market, such as

Curve in the UK, Creditas in Brazil or Bonify in Germany, all of which have recently raised additional funds with Santander InnoVentures' continuous participation.

**Santander InnoVentures** is Banco Santander's \$200 million corporate venture fund. SIV invests in start-ups in fintech and adjacent areas to accelerate their growth, support great entrepreneurs and teams, and support them with the capital, scale and expertise of the Santander Group. Since launching in 2014, the fund has invested in more than 25 companies, being one of the most active bank-backed fintech corporate venture in the world. Over 70% of the fund's portfolio companies are now in strategic engagements with Santander. More info: <http://santanderinnoventures.com>.

**Banco Santander** is a leading retail and commercial bank, founded in 1857 and headquartered in Spain. It has a meaningful presence in 10 core markets in Europe and the Americas, and is the largest bank in the euro zone by market capitalization. At the end of June 2019, Santander had EUR 1.03 trillion in customer funds (deposits and mutual funds), 142 million customers, 13,000 branches and 200,000 employees.

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