

TransferGo raises £37 million as Revolut eyes international payments market

London-based international payments [business](#) TransferGo has raised \$50 million (£37 million) to fuel expansion in the red-hot cross-border money market.

Founder and [CEO](#) Daumantas Dvilinskas told the Standard the [cash](#) will fund new products and expansion, helping get the business to an IPO.

He said: “We have ambitious [goals](#) over the next five years to take this [company](#) public.

“The number one priority is to grow our customer base three of five times in that period... and to introduce new payment and financial options.”

The nine-year-old fintech’s services are mainly used by European migrant workers in the UK, Germany and Poland sending cash back home.

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TransferGo promises to deliver money in 30 minutes and has 3.5 million customers across 160 markets.

The Series C funding round was led by Russia-focused private equity giant Elbrus Capital and US-based VC Black River Ventures, taking the fintech tot a total of \$77 million raised to date.

The money transfer market is booming; World Bank data shows it was worth over \$700 billion in 2020.

TransferGo saw 166% growth this spring despite the pandemic restricting movement, as frequency and average transaction volumes rose.

The start-up's raise comes after rival money transfer firm Wise debuted in London this summer in a direct listing valuing the company at around £8 billion.

[Revolut](#), the \$33 billion fintech business, is also poised to launch an offering.

Chief executive Nikolay Storonsky told the Standard his company are working on a feature that will allow customers to send money directly to Revolut cards, circumventing the need for accounts or processors.

"What it means is I can do a transfer from my Revolut card to someone in India or Pakistan or anywhere in the world assuming it is either MasterCard or Visa," he said. "That's a service that disrupts traditional remittance companies. That's the bet we're working on."

Dvilinskas argues his service will stand out from challenger banks' products and succeed as it targets niche consumers.

He said: "Challenger banks are still quite generic, they are a one-stop for everyone... What we believe is that the next wave is going to be segment-specific financial institutions who

really understand segment-specific needs and geography-specific needs.

“The needs of a Ukrainian migrant moving to Poland are quite different to an Italian migrant moving to the UK. That’s where a lot of opportunity still is.

“The market for the segment is pretty much still open and we see a lot of opportunity, and we want to have enough cash to capture that opportunity.”