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Report on NoBroker

1. Introduction

NoBroker is an innovative Indian startup launched in 2014 by **Akhil Gupta, Amit Kumar Agarwal**, and **Saurabh Garg**. It's all about making real estate simpler and more transparent by cutting out the middleman—brokers. Their platform connects property owners directly with people looking to rent or buy, keeping things clear, hassle-free, and much more affordable for everyone.

The founders envisioned reducing information asymmetry in the real estate industry and providing customers with world-class service using cutting-edge technology. They identified gaps in the market and created products to bridge them. Recognizing significant areas needing improvement in home security and community management, they developed **NoBrokerHood**—a tech-enabled visitor and community management system designed to make life convenient, hassle-free, and secure for residents of gated communities.

2. Nature of the Real Estate Market in India

The Indian real estate market is one of the largest industries in the country, playing a big role in the nation's GDP. But, it faces some key challenges:

- **Broker Dependency:** Many property deals rely on brokers who charge high commissions, usually taking a percentage of the transaction value.
- **Lack of Transparency:** There's often an information gap. Buyers and sellers struggle to find reliable data on property values and market trends, which creates uncertainty.
- **Fragmentation:** The market is filled with small brokers and agencies, making it hard to bring in standard practices across the board.
- **Regulatory Challenges:** Complex regulations and limited enforcement have led to issues like property fraud and legal disputes.

- **Urbanization and Demand:** Rapid urban growth has driven up housing demand, but supply struggles to keep up, pushing prices higher.

Opportunity for NoBroker:

- **Digital Transformation:** With more people using the internet and smartphones, online platforms have a huge potential to reach a larger audience.
- **Cost Savings:** By removing brokerage fees, NoBroker can make housing more affordable for everyone.
- **Convenience:** Online listings offer ease of use and greater visibility, letting people explore more options from anywhere.
- **Building Trust:** Transparent processes help build user confidence and create a sense of reliability in real estate transactions.

NoBroker seized these opportunities by creating a simple, user-friendly platform that tackles the main issues in traditional real estate.

3. Founders of NoBroker

Amit Kumar Agarwal



- **Education:**
 - Bachelor's degree from the Indian Institute of Technology (IIT) Kanpur.
 - MBA from the Indian Institute of Management (IIM) Ahmedabad.
- **Background:**
 - Worked with PricewaterhouseCoopers (PwC) in their management consulting division.
 - Experience in banking at ANZ Bank.
- **Role at NoBroker:** Co-founder and Chief Executive Officer (CEO).
- **Contribution:**
 - Leads the overall strategic direction of the company.

- Focuses on business expansion and building investor relations.

Akhil Gupta



- **Education:**
 - Bachelor's & Masters degree from IIT Bombay.
- **Background:**
 - Worked at Oracle in product development.
 - Experience in technology and software development.
- **Role at NoBroker:** Co-founder and Chief Technology Officer (CTO).
- **Contribution:**
 - Heads the technology and product development teams.
 - Responsible for the platform's technological innovations and scalability.

Saurabh Garg



- **Education:**
 - Bachelor's degree from IIT Bombay.
 - MBA from IIM Ahmedabad.
 - **Background:**
 - Co-founder and Director of The Four Fountains Spa
 - Expertise in market strategy and consumer behavior.
 - **Role at NoBroker:** Co-founder and Chief Business Officer (CBO).
 - **Contribution:**
 - Manages business operations and marketing strategies.
 - Focuses on user acquisition and market penetration.
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4. Key Management Personnel

While the founders play a crucial role, NoBroker's growth is also attributed to its strong management team:

Ashish Shand- Chief Financial Officer

- **Background:**
 - Extensive experience in Finance.
- **Contribution:**
 - Manages Financial Strategy and Planning
 - Manages Funding and Investor Relations

Varun Kulkarni - Director Marketing Digital & Marketing

Background:

- Leads Digital and Growth Marketing for NoBroker with extensive experience in multichannel marketing and strategic realignment.

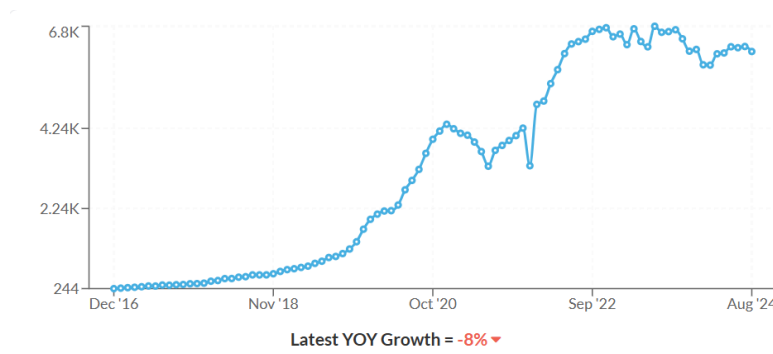
Contribution:

- Develops integrated marketing strategies and enhances customer experience to build and strengthen NoBroker's brand presence across India.

Organizational Structure:

- **Flat Hierarchy:** Encourages open communication and quick decision-making.
- **Cross-Functional Teams:** Teams work collaboratively across departments to innovate and solve problems.
- **Customer-Centric Approach:** All departments align their goals with customer satisfaction as the primary objective.

Employee Count (From Dec'16 to Aug'24):



Date	Employee Count	YOY Growth
Aug '24	6166	-8% ▼
Jul '24	6291	-6% ▼
Jun '24	6261	-8% ▼
May '24	6285	1% ▲
Apr '24	6130	-5% ▼

5. How NoBroker is Run

1. Operational Model and Business Strategy:

- **Broker-free Transactions:** NoBroker leverages a technology-driven platform that connects property owners and seekers directly.
- **Freemium Model:** Basic services are free, while premium services like subscription plans and home services are monetized.
- **Diversification:** The company offers various add-ons such as home cleaning, packers and movers, and financial services.

2. Revenue Streams and Monetization Strategies:

NoBroker earns revenue from:

- **Subscription Fees:** Premium users pay for additional features.
- **Value-added Services:** Earnings from services like home loans, legal documentation, and property management.
- **Advertising and Partnerships:** Revenue from displaying ads and collaboration with other service providers.

3. Strategic Partnerships and Alliances:

- Collaborations with banks for home loans, insurance companies, and other service providers enhance the platform's ecosystem.

4. Technological Infrastructure and Innovations:

- NoBroker uses AI and machine learning to match users with suitable properties, detect fraudulent listings, and personalize user experiences.

5. Customer Acquisition and Engagement Strategies:

- The company relies heavily on digital marketing, referral programs, and customer loyalty initiatives.
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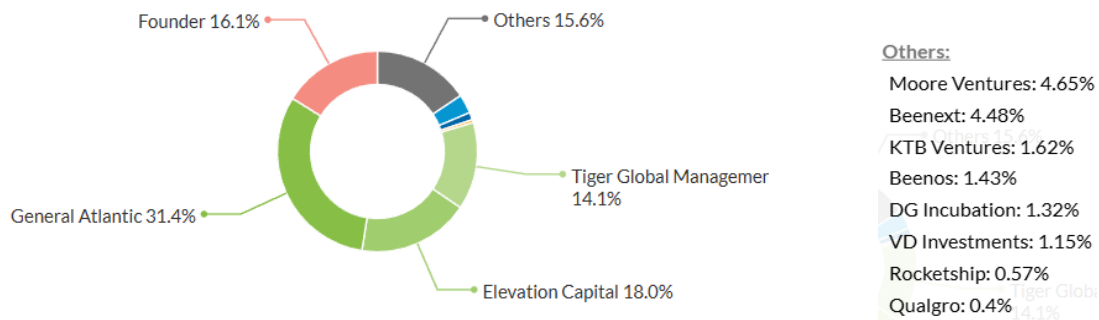
6. Prominent Investors in NoBroker

1. NoBroker has a total of 22 investors.
2. 19 are institutional investors including General Atlantic and 18 others.

3. 3 are Angel investors including Vijay Shekhar Sharma and 2 others.

Post-Money Valuation : **\$972M** (As on March 02, 2023)

Post Round Holding



- **Angel:**
Mamoru Taniya: 1.16%
Anand Chandrashekar: 0.02%
- **ESOP Pool: 3.06%**
- **Google : 0.5%**

List of NoBroker's institutional investors

- **Google**, located in Mountain View (United States), made their first investment in NoBroker on Mar 01, 2023 in its Series E round.
- **General Atlantic**, located in New York City (United States), made their first investment in NoBroker on Jun 04, 2019 in its Series C round.
- **Tiger Global Management**, located in New York City (United States), made their first investment in NoBroker on Oct 01, 2019 in its Series D round.
- **Moore Venture Partners**, located in Encinitas (United States), made their first investment in NoBroker on Nov 23, 2021 in its Series E round.
- **Beenext**, located in Singapore (Singapore), made their first investment in NoBroker on Jan 04, 2016 in its Series B round.
- **Rocketship**, located in Los Altos (United States), made their first investment in NoBroker on Jun 04, 2019 in its Series C round.
- **Elevation Capital**, located in Delhi (India), made their first investment in NoBroker on Feb 20, 2015 in its Series A round.

- **Trifecta Capital**, located in Gurugram (India), made their first investment in NoBroker on Apr 28, 2019 in its Conventional Debt round.
- **KTB Ventures**, located in Palo Alto (United States), made their first investment in NoBroker on Dec 18, 2016 in its Series B round.
- **Beenos**, located in Tokyo (Japan), made their first investment in NoBroker on Jan 04, 2016 in its Series B round.
- **DG Ventures**, located in San Francisco (United States), made their first investment in NoBroker on Jan 04, 2016 in its Series B round.
- **Qualgro**, located in Singapore (Singapore), made their first investment in NoBroker on Jan 04, 2016 in its Series B round.
- **Fulcrum PE**, located in Chennai (India), made their first investment in NoBroker on Feb 20, 2015 in its Series A round.

4. Key Investors and Their Profiles

- General Atlantic: A global growth equity firm with a strong track record in technology investments. It has been instrumental in providing growth capital to several Indian tech startups.
- Tiger Global Management: A leading venture capital and private equity firm known for investing in technology-driven companies worldwide, including several Indian unicorns.
- SAIF Partners (now Elevation Capital): Focuses on early-stage investments in technology companies in India.

5. Strategic Implications of These Investments

- These investors bring not only financial resources but also expertise and global networks, which help NoBroker scale operations and innovate further.

7. Indian Tax Provisions Relating to Startups

1. Overview of Tax Incentives for Startups in India:
 - Section 80-IAC: Provides a 100% tax exemption for eligible startups for three consecutive financial years.
 - Angel Tax Relief: Startups that are registered with the Department for Promotion of Industry and Internal Trade (DPIIT) are exempt from the so-called 'Angel Tax.'
2. ESOP (Employee Stock Ownership Plan) Taxation:
 - ESOPs are taxed at two stages:
 - At the time of exercise: Tax is levied as a perquisite on the difference between the fair market value and the exercise price.
 - At the time of sale: Capital gains tax applies on the difference between the sale price and the fair market value on the date of exercise.

- Recent Changes: The government has allowed eligible startups to defer tax payments on ESOPs by five years or until the employee leaves the company, whichever is earlier.
- Implications for Employees and the Company:
 - Employees: While ESOPs provide ownership incentives, the tax burden can be significant if the company's valuation is high.
 - Company: Proper ESOP structuring is necessary to attract and retain top talent without incurring excessive tax liabilities.

8. Details of funding rounds and the financing instruments

NoBroker has total 9 funding rounds:

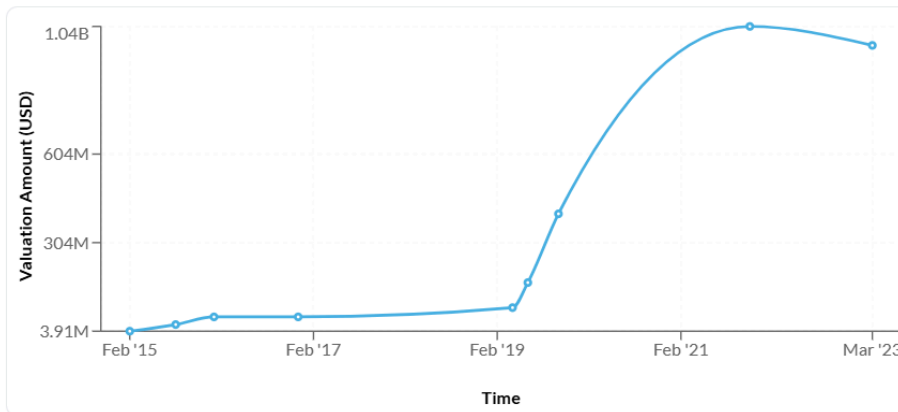
- 4 Late-Stage rounds
- 4 Early-Stage rounds
- 1 Debt round

List of all funding rounds of NoBroker

Date of funding	Funding Amount	Round Name	Post money valuation	Revenue multiple	Investors
Mar 01, 2023	\$5M	Series E	\$972M	13.4x	Google
Nov 23, 2021	\$210M	Series E	\$1.06B	28.3x	General Atlantic, Tiger Global Management, Moore Venture Partners
Oct 01, 2019	\$80M	Series D	\$400M	55.8x	Tiger Global Management, General Atlantic, Beenext
Jun 04, 2019	\$52.1M	Series C	\$168M	37.1x	General Atlantic, Beenext, Rocketship, Elevation Capital
Apr 30, 2019	\$286K	Series B	\$83.3M	22.2x	Trifecta Capital

Apr 28, 2019	\$2.28M	Conventional Debt	-	-	Trifecta Capital
Dec 18, 2016	\$7.36M	Series B	\$52.1M	72.4x	KTB Ventures , Beenext, Beenos, Vijay Shekhar Sharma, Anand Chandrashekar, Mamoru Taniya, DG Ventures, Elevation Capital
Jan 04, 2016	\$10M	Series B	\$49.9M	369.2x	Elevation Capital , Beenos, Beenext, Qualgro, Mamoru Taniya, DG Ventures
Feb 20, 2015	\$3.01M	Series A	\$26.4M	-	Elevation Capital , Fulcrum PE

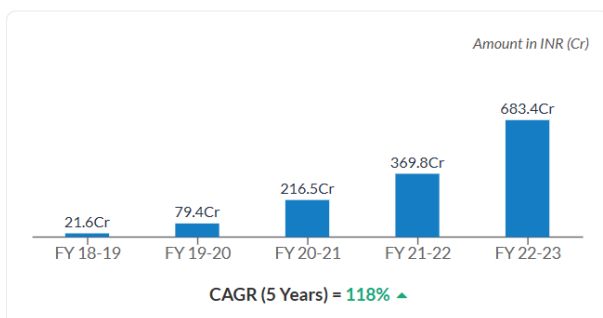
Valuation



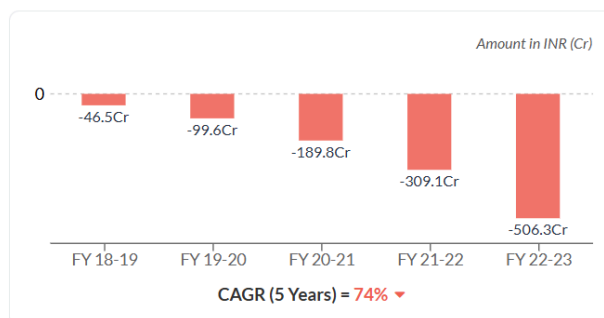
- Google is the lead investor in NoBroker's latest funding round held on Mar 01, 2023.
- NoBroker's largest funding round was a Series E round held on Nov 23, 2021 for \$210M.

9. Financials

Revenue



Net Profit/Loss



Metrics	FY 2022-23	FY 2021-22	FY 2020-21
Income Statement			
Revenue	683.4Cr	369.8Cr	216.5Cr
EBITDA	(475.3Cr)	(296.2Cr)	(178.4Cr)
Net Profit	(506.3Cr)	(309.1Cr)	(189.8Cr)

- NoBroker has demonstrated strong revenue growth over the past three fiscal years, increasing from INR 216.5 crore in FY 2020-21 to INR 683.4 crore in FY 2022-23, indicating effective market expansion and scaling strategies.
- However, the company's EBITDA has remained negative, with losses widening from INR 178.4 crore to INR 475.3 crore over the same period, suggesting that operational expenses remain high, potentially due to investments in growth and customer acquisition.
- Similarly, net losses have increased from INR 189.8 crore to INR 506.3 crore, highlighting financial challenges in achieving profitability despite revenue gains.
- This trend points to NoBroker's prioritization of aggressive growth, yet emphasizes the need for cost management and operational efficiency to ensure long-term financial sustainability.

Balance Sheet			
Equities	1,446.1Cr	1,888.2Cr	639.1Cr
Liabilities	165.7Cr	96.8Cr	56.8Cr
Assets	1,611.8Cr	1,985Cr	695.9Cr

Equity: Indicates the ownership or shareholders' funds invested in the company.

Liabilities: Represents the financial obligations or debts owed by the company.

Assets: Shows the resources owned by the company, typically used for operations and growth.

- From a company's cash flow, one can analyze its operational efficiency, liquidity, financial health, and investment strategies.
- By observing the cash inflows and outflows, it's possible to assess whether the company is generating sufficient cash from its core operations, how it manages debt, its ability to finance new investments, and whether it relies on external funding.
- The given balance sheet reflects a solid equity base compared to its liabilities across the three years displayed. This suggests that the company has a high degree of owner-financed capital relative to debt, which may indicate a strong financial position and less dependency on external borrowing.
- The increase in assets over time points to growth and potentially sound investment in expanding the company's capacity or capabilities. However, a detailed cash flow analysis would further reveal how effectively NoBroker translates these assets and equity investments into liquidity and profitability.

Cashflow Statement				
Cash from Operating activities	(614.5Cr)	(277.3Cr)	(261.6Cr)	(132.3Cr)
Cash from Investing activities	617.1Cr	(1,275.9Cr)	69.7Cr	(533.6Cr)
Net cash from Financing activities	24.9Cr	1,557Cr	(21.2Cr)	884.1Cr

1. **Operating Activities:** Reflects cash generated or used by the core business operations.
 2. **Investing Activities:** Shows cash spent or gained from investments, such as purchasing or selling assets.
 3. **Financing Activities:** Indicates cash from funding sources, like loans or shareholder investments.
- The cash flow statement for Nobroker reveals a consistent outflow from operating activities, suggesting that the company's core operations currently require more cash than they generate.
 - This could indicate high operational expenses, typical for growth-stage companies. The investing activities show significant fluctuations, with large outflows in some years, likely due to asset acquisition or investment in new projects, aligning with expansion strategies.
 - Financing activities have been a major source of cash inflows, reflecting reliance on external funding, which could be attributed to investment rounds or debt to fuel growth.
 - Overall, Nobroker appears to be in an expansion phase, heavily relying on financing while investing in assets to potentially strengthen future operations.

Metrics	FY 2022-23	FY 2021-22	FY 2020-21
Return Ratios			
EBITDA Margin ⓘ	-70%	-80%	-82%
Net Profit Margin ⓘ	-74%	-84%	-88%
Return on Assets (ROA) ⓘ	-31%	-16%	-27%
Return on Equity (ROE) ⓘ	-35%	-16%	-30%
Debt Ratios			
Debt Equity Ratio ⓘ	0.11	0.05	0.09
Debt Ratio ⓘ	0.10	0.05	0.08

EBITDA Margin: Measures operating profitability; a higher margin indicates better cost efficiency in operations.

Net Profit Margin: Shows overall profitability after all expenses; a higher percentage suggests strong earnings relative to revenue.

Return on Assets (ROA): Indicates how efficiently assets are used to generate profit; higher ROA means better asset utilization.

Return on Equity (ROE): Shows profitability for shareholders; higher ROE suggests effective use of equity capital.

Debt Equity Ratio: Compares total debt to equity; lower values indicate less reliance on debt.

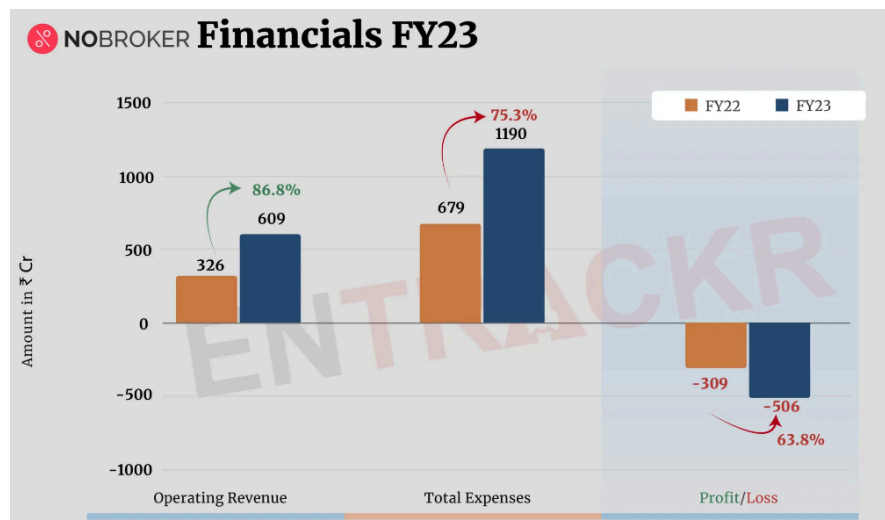
Debt Ratio: Shows the proportion of assets financed by debt; lower values mean less debt burden.

- Nobroker's financial ratios indicate a challenging profitability landscape, with consistently negative EBITDA and net profit margins.
- This suggests that the company's costs are significantly high relative to its revenue, which could be attributed to growth-related expenses in a competitive market.
- The negative ROA and ROE reflect poor returns on assets and equity, indicating the company has not yet achieved efficient returns from its investments or equity capital.
- However, the low debt-equity and debt ratios highlight that Nobroker maintains a conservative debt structure, suggesting a cautious approach towards leverage.
- Overall, these ratios portray a company heavily investing in growth, yet facing profitability challenges and working towards operational efficiency.

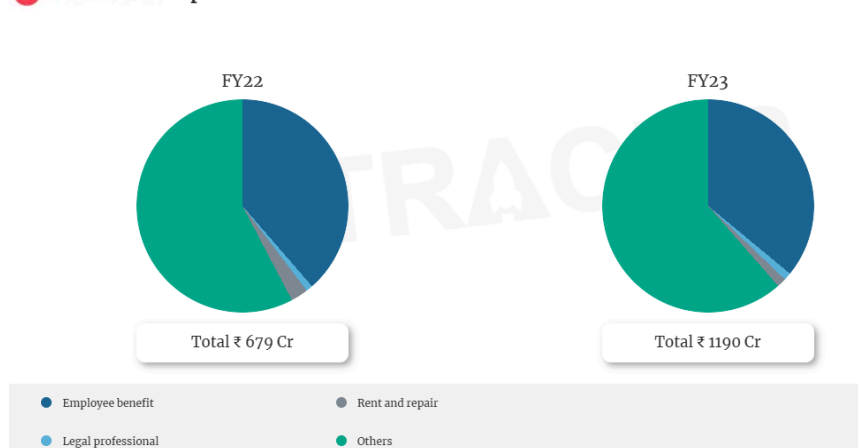
10. Significant milestones of the company

01 Jul 2024

NoBroker in FY23: Op revenue grows 87% to Rs 609 Cr; losses up by 64%



NOBROKER Expense Breakdown

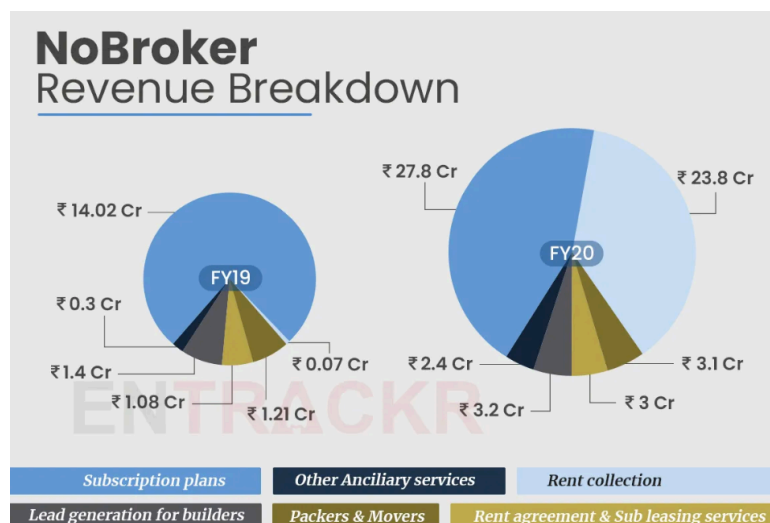


In FY23, Nobroker's spending on employee benefits accounted for 36.55% of total expenses, rising 66% to ₹435 crore. Additional overheads, likely for advertising and payment gateways, added ₹724 crore. Consequently, total expenses surged to ₹1,190 crore, marking a significant increase from ₹679 crore in FY22.

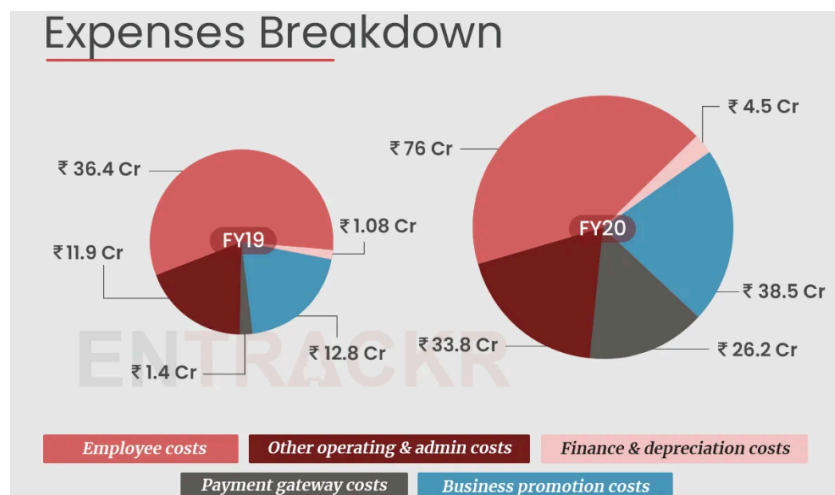
07 Sep 2021

NoBroker's revenue surges 3X in FY20

Nobroker introduced "NoBroker Pay" at the end of FY19, enabling tenants to pay rent via UPI and credit cards. This feature generated ₹23.8 crore in its first year, making up 37.6% of FY20 revenue. Subscription plans remained the top revenue stream, contributing 44% and growing by 98.3% to ₹27.8 crore in FY20 from ₹14.02 crore in FY19.



- In FY20, Nobroker saw a 156.2% increase in income from rental agreements to ₹3.1 crore and earned ₹3 crore from packers and movers services. Lead generation revenue from real estate developers rose 128.6% to ₹3.2 crore, while income from financial assets surged 4.5X to over ₹16 crore. Expenses, driven largely by employee benefits (42.5% of costs), rose 2.8X, with losses reaching ₹100 crore. Payment aggregator fees also jumped significantly, reflecting the success of "NoBroker Pay."



- NoBroker Pay emerged as a strong revenue stream for the company, contributing 38% of total revenue in FY20, despite challenges in profitability. Competing with platforms like CRED and Paytm, NoBroker Pay charges a 1% processing fee while incurring a 1.5% cost in payment gateway fees, leading to a 0.5% loss per transaction. This is reflected in the ₹26 crore spent on payment gateway charges in FY20. Although unprofitable, NoBroker Pay supports the company's growth alongside subscription revenue and other services, such as rental agreements and packers and movers, which doubled in income over the previous year.

13 Feb 2020

NoBroker valuation surges to \$361 Mn after Tiger and GA rounds

- NoBroker eliminates brokers in house-hunting, raising \$100 million from Tiger Global and General Atlantic, boosting its valuation to about \$361 million.
- In 2019, it secured \$51 million and \$50 million from General Atlantic and Tiger Global, respectively, with General Atlantic owning 25.08%.
- Operating in major Indian cities, NoBroker lists three million properties and has served over seven million users, using a subscription model for rentals and transactions.
- The company recently acquired SocietyConnect and aims to scale and expand into new cities in the property tech sector.

28 Dec 2018

Property search firm NoBroker launches rent payment feature 'NoBroker Pay'

- On December 28, 2018, NoBroker launched NoBroker Pay, allowing rent payments via credit/debit cards, UPI, and net banking, enhancing the rental experience by connecting home-seekers directly with owners.
Over 10,000 users have adopted the service, which also facilitates maintenance payments and generates instant receipts.
- NoBroker entered the commercial real estate market, closing 1,000 deals within three months, and plans to expand to over 50 cities.
- With \$20 million raised, NoBroker saves customers ₹90 crore in brokerage monthly, achieving around 15,000 closures each month.

3 June 2018

With Rs 23.6 Cr loss, NoBroker's revenue recorded 465% surge in FY17

- As of June 3, 2018, NoBroker's revenue surged 465.7% to ₹6.28 crore in FY17, but it reported a loss of ₹23.59 crore, up 67.9% from the previous year.
- The company uses a subscription model for tenants and owners, starting at ₹999 and ₹2,999, respectively, but remains unprofitable.
- NoBroker claims 1 million monthly users and adds 180,000 users each month, though paid subscriber numbers are unclear.
- Having raised about \$20 million, NoBroker enjoys lower consumer acquisition costs compared to larger competitors.

Report on FalconX

1. Introduction

FalconX, launched in 2018, is a U.S.-based fintech startup powered by founders with a solid background in both tech and finance. They saw major gaps in the cryptocurrency market, especially for institutional investors, and stepped in to fill them. FalconX offers powerful trading tools, credit options, and real-time data analytics—all aimed at boosting transparency, reliability, and efficiency in digital asset trading. Their mission? To connect traditional finance with the fast-evolving world of digital assets, building an infrastructure that meets the needs of today's institutional investors.

2. Nature of the Cryptocurrency Market

The cryptocurrency market has evolved rapidly over the past decade, transforming from a niche segment into a significant component of the global financial system. Key characteristics of the market include:

- **High Volatility:** Cryptocurrency prices are known for their significant fluctuations, offering both opportunities and risks for investors.
- **Decentralization:** Unlike traditional currencies, cryptocurrencies operate on decentralized networks, primarily using blockchain technology.
- **Regulatory Uncertainty:** Varying regulatory approaches across countries create challenges for market participants.
- **Increasing Institutional Interest:** There has been a notable rise in interest from institutional investors seeking exposure to digital assets.
- **Technological Innovation:** Continuous advancements in blockchain and distributed ledger technologies drive market growth.

Opportunities in the Market:

- **Market Inefficiencies:** The fragmented nature of cryptocurrency exchanges leads to price discrepancies, presenting arbitrage opportunities.
- **Demand for Institutional-Grade Services:** Institutions require robust trading platforms with high liquidity, low latency, and compliance with regulatory standards.
- **Credit and Leverage Needs:** Access to credit can enhance trading capabilities for institutional clients.

FalconX leverages these opportunities by providing a platform that addresses the specific needs of institutional investors, offering services like smart order routing, price discovery, and credit solutions.

3. Founders of FalconX

Raghu Yarlagadda



- **Education:**
 - B.Tech in ECE from Vellore Institute of Technology
 - MBA from Harvard Business School.
- **Background:**
 - Worked at Google as Lead Product manager.
 - Experience in building scalable technology platforms and leading engineering teams.
- **Role at FalconX:** Co-founder and Chief Executive Officer (CEO).
- **Contribution:**
 - Oversees the strategic vision and overall operations of the company.
 - Focuses on building institutional relationships and driving technological innovation.

Prabhakar Reddy



- **Education:**
 - Bachelor's degree from BITS Pilani.
 - MBA from Harvard Business School.
- **Background:**
 - Experience in venture capital and private equity.
 - Co-founded nFusion & Virtualize
- **Role at FalconX:** Co-founder and Board Member.
- **Contribution:**
 - Provides strategic guidance on business development and fundraising.
 - Leverages his financial expertise to navigate market complexities.

4. Key Management Personnel

FalconX's growth and success are also attributed to its strong leadership team:

Ivan Galli - VP of Corporate Strategy & Finance

- **Background:**
 - Former VP of Operations at ABRA.
 - Extensive experience in electronic trading and market-making.
- **Contribution:**
 - Drives corporate strategy and growth initiatives.
 - Oversees financial planning and budgeting.

Prathab Murugesan - Head of Engineering

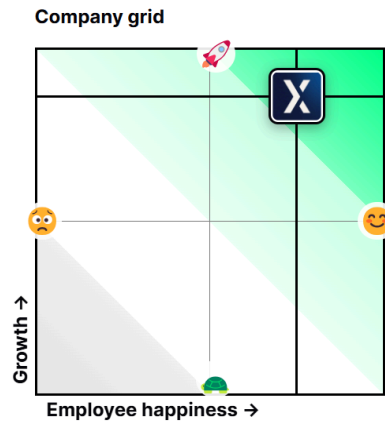
- **Background:**
 - Founding Engineer eightfold.ai
 - Expertise in machine learning, crypto and high throughput systems.
- **Contribution:**
 - Leads the technology team in developing cutting-edge trading infrastructure.
 - Focuses on system reliability, security, and performance optimization.

Ave King- Chief Compliance Officer and MLRO, Asia Pacific

- **Background:**
 - 20 years experience in Investment Banking, Broker Dealer and Cryptocurrency Exchanges
 - Experienced Regulatory Compliance and Anti-Financial Crime Professional
- **Contribution:**
 - Ensures compliance and oversees AML efforts in Asia Pacific.
 - Develops policies to mitigate legal and financial risks.

Organizational Structure:

- **Client-Centric Approach:** The company places a strong emphasis on meeting the specific needs of institutional clients.
- **Innovation-Driven Culture:** Encourages innovation to stay ahead in the rapidly evolving crypto market.
- **Regulatory Compliance:** Maintains high standards of compliance to build trust with clients and regulators.
- **Global Perspective:** Operates with a global outlook, catering to clients from various regions.



5. How FalconX is run:

Their platform leverages advanced machine learning to aggregate liquidity from over 70 venues, ensuring seamless and efficient execution of trades.

The company's operations lie at the intersection of blockchain technology and finance, with a team consisting of experts from leading financial and tech firms. Their business model emphasizes sophisticated solutions like OTC derivatives, margin lending, and API integrations designed to cater to large-scale institutional needs.

FalconX offers a range of products and services designed specifically for institutional investors. With advanced technology, deep liquidity, and strong security, the platform helps clients confidently navigate the world of digital assets. Below is an overview of its key offerings.

1. Spot Trading:

FalconX provides a smooth platform for buying and selling a variety of cryptocurrencies and digital assets.

- Aggregated Liquidity: Collects liquidity from multiple exchanges to give clients access to deep markets.
- Competitive Pricing: Offers fair prices with minimal slippage, even for large trades.
- Fast Execution: Ensures trades are executed quickly and efficiently.

2. Over-the-Counter (OTC) Trading

The OTC desk at FalconX is designed for clients making large trades privately outside public exchanges.

- Privacy and Stability: Trades are handled discreetly to avoid affecting market prices.
- Easy Execution: FalconX acts as a bridge between buyers and sellers for smooth trade completion.
- Wide Network: Uses its large network to connect buyers and sellers efficiently.

3. Credit Services

FalconX offers credit options to help clients manage liquidity without selling their assets.

- **Credit Lines:** Allows clients to trade using approved credit limits.
- **Flexible Strategies:** Clients can take advantage of market opportunities without liquidating their holdings.
- **Revenue Model:** FalconX earns through interest and fees on these credit services.

4. Reporting and Analytics

FalconX provides detailed reporting and analytics tools to help clients track and improve their trading activities.

- **Real-Time Data:** Clients can monitor trades instantly.
- **Performance Tracking:** Helps measure the effectiveness of strategies.
- **Portfolio Insights:** Offers analysis to spot trends and make better decisions.

5. Security and Custody

FalconX ensures that security is a top priority to protect client assets.

- **Cold Storage:** Stores most assets offline to reduce risks.
- **Multi-Factor Authentication (MFA):** Adds extra security for accounts.
- **Encrypted Communication:** Ensures data is safely transmitted.
- **Trusted Custodians:** Works with reliable partners to store digital assets securely.
- **Internal Controls:** Uses strict processes to prevent unauthorized actions, giving clients peace of mind.

6. Prominent Investors in FalconX:

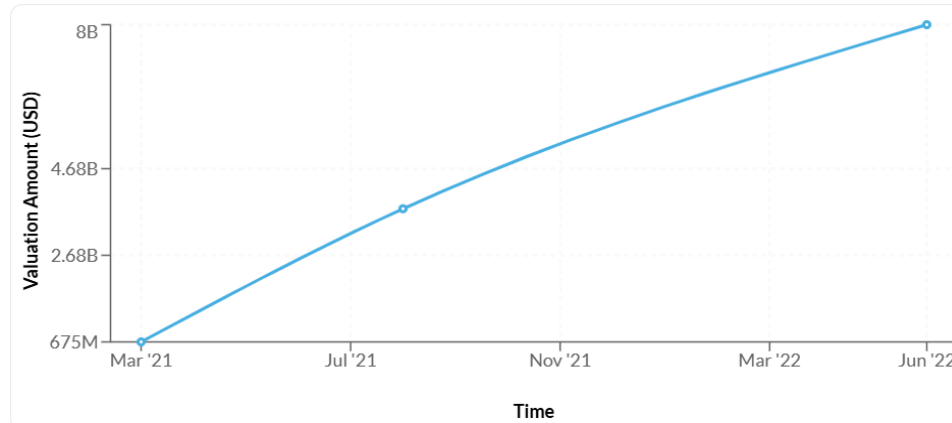
FalconX has attracted investments from a group of highly influential investors. Some of the key investors include:

- **GIC:** Singapore's sovereign wealth fund known for investments across sectors globally.
- **B Capital:** Co-founded by Facebook's Eduardo Saverin, it focuses on investments in fintech, health tech, and enterprise technologies.
- **Tiger Global:** A major name in venture capital, investing heavily in both early-stage and growth-stage technology companies.
- **Thoma Bravo:** A private equity firm specializing in software and technology-enabled services.
- **Accel Partners and Adams Street Partners:** Renowned firms known for their long track record of success in early and growth-stage investments.

The platform has grown significantly, raising over \$430 million to date, and its valuation reached \$8 billion following its Series D funding round in 2022. Their focus on institutional-grade financial

infrastructure has made them a trusted partner for other high-profile firms operating in digital assets, such as Figment and Xapo Bank.

Valuation Growth of FalconX:



SNo.	Date	Round Name	Amount	Valuation	Investors & Facilitators
1	Jun 22, 2022	Series D	\$150.0M	\$8.0B	Institutional: GIC, B Capital , Thoma Bravo, Adams Street Partners, Tiger Global Management Corporate: Wellington
2	Aug 10, 2021	Series C	\$210.0M	\$3.8B	Institutional: Altimeter Capital, Sapphire Ventures , Tiger Global Management, Accel, Accomplice, CMT Digital, Flybridge Capital Partners, Lightspeed Venture Partners, B Capital Corporate: Coinbase, American Express, Mirae Asset Global Investments
3	Mar 11, 2021	Series B	\$50.0M	\$675.0M	Institutional: Tiger Global Management, B Capital , Lightspeed Venture Partners, Flybridge Capital Partners, CMT Digital, Accomplice, American Express Ventures, Accel Corporate: Coinbase
4	Dec 16, 2020	Series A	Undisclosed	-	Institutional: Accel, Accomplice, Fenbushi Capital, Lightspeed Venture Partners, Flybridge Capital Partners Corporate: American Express , Coinbase
5	May 13, 2020	Series A	\$17.0M	-	Institutional: Accel, Accomplice, Fenbushi Capital, Flybridge Capital Partners, Lightspeed Venture Partners Corporate: ventures.coinbase.com, New Avon, Fidelity Investments
6	Jun 01, 2018	Seed	Undisclosed	-	Institutional: Accel

7. Statement of Financial Condition

(As of December 31, 2022)

Assets: The company holds a total of \$29.6 million in assets, primarily composed of:

- Cash and cash equivalents: \$29.1 million
- Accrued interest receivable: \$91,040
- Intercompany receivables: \$399,335

Liabilities: Total liabilities stand at \$2.3 million, with major components being:

- Intercompany payables: \$2.07 million
- Accounts payable and accrued liabilities: \$232,691

Equity: Total stockholder's equity is \$27.3 million, which includes:

- Additional paid-in capital: \$29.99 million
- Accumulated deficit: \$(2.69 million)

Income Statement

Revenues and Expenses: The income statement reveals limited operations, focusing primarily on consulting (\$1.09 million) and legal fees (\$384,605) as major professional expenses.

Net Loss: The accumulated deficit of \$2.69 million reflects the company's operational loss, as it is still in the development phase with minimal income.

Cash Flow

Cash Position: The company holds \$29.1 million in cash and cash equivalents as of the end of 2022, indicating strong liquidity.

Dividend Income and Interest Earnings: The company accrued interest on cash deposits and received dividend income from money market funds, enhancing its cash flow.

Ratios

Current Ratio: Given the high cash and equivalents, the current ratio indicates significant liquidity, reflecting the company's ability to meet short-term obligations comfortably.

Debt-to-Equity Ratio: With only \$2.3 million in liabilities against \$27.3 million in equity, FalconX Bravo has a low debt-to-equity ratio, indicating minimal financial leverage.

9. Significant milestones of the company

June 04, 2024

FalconX and Solidus Labs Partner to Bolster Digital Asset Trade Surveillance and Transaction Monitoring

09 Jan 2023

FalconX Launches Global Immersion Program To Help Indian B2B Startups Expand To US

- FalconX also announced the launch of its first venture fund, with a corpus of \$20 Mn, which would invest in Indian as well as global startups which are part of its accelerator program
- Through the Global Immersion Program Cohort 2, FalconX aims to mentor and help scale 15 Indian B2B startups across sectors
- Kaaj Ventures is one of the angels associated with FalconX, along with investment firms like SV Quad, Insight Partners, and Clearvision Ventures

FalconX Valuation Doubles to \$8B Despite Crypto Market Turmoil

Digital assets platform looking to mergers and acquisitions, product expansion after \$150 million Series D round

BY BEN STRACK / JUNE 22, 2022 06:00 AM

FalconX Raises \$210M Following 30x YoY Revenue Growth; Now Valued at \$3.75 Billion

Series C Led by Altimeter Capital, B Capital Group, Sapphire Ventures, and Tiger Global Management, with participation from Amex Ventures and Mirae Asset.

August 10, 2021 11:00 AM Eastern Daylight Time

Expansion And Strategy:

FalconX plans to use its funding to expand product lines, explore strategic acquisitions, and enhance global hiring. The company aims to further integrate traditional finance and blockchain technology, meeting the growing demand for 24/7 financial services.