



February 14th, 2023

Company: **TAURUS**

Investors: **CREDIT SUISSE**    
INVESTIS  

Subsector: Investing & Trading Infrastructure

Author: Ryan McCulloch, ryan@architectpartners.com
More Information: Steve Payne, steve@architectpartners.com

Transaction Overview

On February 14, 2023, Taurus raised \$65 million in equity capital at an estimated \$200+ million dollar valuation from Credit Suisse (lead), Deutsche Bank, Arab Bank Switzerland, Cedar Mundi Ventures, Db Export - Leasing, Investis Holding, and Pictet.

Company Description

Taurus' platform enables financial institutions to facilitate crypto services via API integration. Taurus' current crypto service offering includes hot and cold custody, digital issuance and tokenization, a blockchain explorer, digital asset trading/liquidity provider, and staking. The company claims it supports half of the Swiss banks in crypto, with a total of 20 customers. Recently announced customers include Swissquote, Temenos, SEBA Bank, and Vontobel.

Taurus was founded in 2018 by Managing Partner, Sebastien Dessimoz, and three other co-founders. The company currently has 66 employees.

Funding: The company has now raised a total of \$76M over the course of two funding rounds, with their previous Series A of \$11M taking place in April 2020 at a \$56M post-money valuation. This round valuation was not announced, but one person familiar with the deal said the valuation was "several hundred million" dollars.

Competition: Taurus competes with other crypto companies offering a suite of crypto services to traditional financial institutions, neobanks, and fintechs. Some examples include Bakkt (via their \$200M acquisition of Apex Crypto), NYDIG, Paxos, and Coinme.

Architect Partners' Perspective

Our thoughts - what does this mean for the company?

This investment will enable Taurus to expand their team, further develop their technological capabilities, and expand internationally with new offices in Paris and Dubai.

Both Credit Suisse, who led the investment and Deutsche Bank, who invested, have stated that this deal comes after very selectively choosing the best and most trusted partner in the crypto space. This indicates a strong level of trust in both the crypto ecosystem and Taurus. For both groups, as well as other banks that invested, Taurus will serve as an important technology provider for the banks' future crypto endeavors.

Our thoughts - what does this mean for the larger segment?

Despite a major slowdown in crypto investment, capital continues to flow to select opportunities and segments. We are seeing patterns that generally attract capital to institutionally focused infrastructure firms. In this sub-sector, there has been over \$275M of capital raised in 29 deals so far this year. This sub-sector accounts for approximately 22% of the total capital raised in crypto in 2023.

The retail segment has seen a tremendous decline in revenue, engagement and thus investment (outside of distressed situations). With increased regulatory scrutiny as a reaction to the FTX & Voyager collapse, investors are trading very lightly in that segment.

Once you move away from retail, investors are more comfortable since the regulatory impact may be lessened. This is even more so in Switzerland where this is a relatively clear regulatory framework. We expect continued investment to flow in the general infrastructure companies as they have shown to be less buffeted by the market dynamics.

Over time we anticipate larger banks will choose to either "buy or build" instead of licensing these capabilities as crypto becomes a core element of their business - but most banks can still use other's tech (like FIS or Fiserv provide core banking to thousands of banks). This could position firms to be acquired by existing investors of scale.

Sources

[Press Release](#), [PitchBook](#), [Company Website](#)