

Technology

# Ant Financial Annual Profit Jumps 65% Ahead of Anticipated IPO

By Lulu Yilun Chen

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- ▶ Jack Ma's Ant is said to seek private funding of \$10 billion
- ▶ Ant Financial posted full year profit of 9.18 billion yuan



A vendor weighs a piece of fish as a QR code and payment instructions for Ant Financial Services Group's Alipay are displayed at a market in Hong Kong. *Photographer: Anthony Kwan/Bloomberg*

Ant Financial, the Chinese online finance behemoth that's expected to seek an initial public offering, posted a 65 percent jump in profit in fiscal 2018 as it expanded its footprint in wealth management, consumer lending and overseas markets.

The company controlled by Alibaba Group Holding Ltd.'s billionaire co-founder Jack Ma posted 9.18 billion yuan (\$1.4 billion) in pretax profit in the year ended March, according to Bloomberg calculations from Alibaba's earnings report [□□](#) on Friday.



Ant Financial is in the process of raising at least \$10 billion at a \$150 billion valuation from investors led by Temasek Holdings Pte, people familiar with the matter have said. That would make it the largest tech private funding round on record, paving the way for the IPO of a business that oversees everything from payments to wealth management with 870 million annual active users globally.

Since starting as Alipay in 2004, Ant Financial has grown into an online giant that oversees the world's biggest money market fund and handles more than 15 trillion yuan of mobile payments every three months. The company is ramping up assets overseas via deals in India and Thailand.

Alibaba is entitled to 37.5 percent of Ant Financial's pretax earnings based on a deal the two struck in the run-up to Alibaba's 2014 IPO. Ant Financial paid the e-commerce giant about 3.4 billion yuan in royalty and technology fees in fiscal 2018, according to Alibaba's filing.

Officially named Zhejiang Ant Small & Micro Financial Services Group Co., the company is one of Ma's most closely watched assets and tightly linked to Alibaba, China's biggest e-commerce operator. Alibaba is in the process of acquiring one-third of Ant Financial with regulatory approval.

## In this article

BABA  
**ALIBABA GRP-ADR**

141.90	USD	▲	+3.61	+2.61%
CNY				
China Renminbi Spot				
6.8899	CNY	▼	-0.0343	-0.4954%

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