



08 June 2022



COVER STORY

**CHINA SECONDARIES:
LIQUIDITY PLAY**

Needing to generate returns amid a tough fundraising environment, GPs are beginning to revise pricing expectations to get traction with continuation funds.

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Q&A

AMIT ANAND OF JUNGLE VENTURES

Singapore's Jungle Ventures has closed its fourth early-stage tech fund on USD 600m, shattering an initial target of USD 350m. Amit Anand, a founding partner at the firm, unpacks the achievement.

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DEAL FOCUS

HIKE SUPPORTS SONG YAO'S SECOND ACT

Orienspace, a Chinese rocket developer founded by the entrepreneur behind DeePhi Technology, has secured USD 60m in funding from Hike Capital and others to accelerate its launch schedule.

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FUND FOCUS

EURAZEO HAS SE ASIA INSURANCE TECH COVERED

France-based Eurazeo has set up a USD 200m Southeast Asia VC fund dedicated to insurance technology with an unnamed global insurance company as the lone LP.

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By the Numbers

AVCJ RESEARCH

TARGETING TAIWAN

The best-known set of statistics that capture the [mixed fortunes of buyout investors in Taiwan](#) begins in 2006-2007 with the territory rising to become one of Asia's most active markets, with USD 9.4bn put to work. It ends with Taiwan retreating into relatively obscurity following the global financial crisis and hitting rock bottom in 2012 when only USD 57m was invested. It ranked 16th by transaction value in Asia.

Deal flow remains patchy, but at least one longstanding private equity gripe appears to be dissipating. Baring Private Equity Asia (BPEA) recently acquired listed contact lens manufacturer [Ginko International](#) at a valuation of NTD 27.2bn (USD 980m) – a rare instance of a private equity firm delisting a company from the Taipei Exchange.

Take-privates historically have proved challenging in Taiwan, with the government either blocking deals or withholding approval until the financial sponsor gave up. Electronic components supplier Yageo Corporation made for a controversial case study in 2011: a majority of minority shareholders accepted KKR's buyout offer, yet the deal was vetoed – supposedly to protect minority shareholders.

KKR [made a breakthrough in 2018](#) with the NTD 47.8bn take-private of LCY Chemical Corp. Ginko now sits alongside it as one of the largest-ever PE investments in Taiwan.

Scanning the list, it is worth noting exits can be just as problematic as investments. Of the 13 transactions of USD 500m or more in AVCJ Research's records, six have been exited after holding periods of 7-12 years. China Network Systems, Eastern Multimedia, Ta Chong Bank, and Cosmos Bank – each one experienced multiple thwarted exit processes, with approvals often the stumbling block.

Last year, The Longreach Group [agreed to sell EnTie Commercial Bank](#), potentially ending a 14-year journey marked by a successful turnaround and several frustrated exit attempts. Mark Chiba, group chairman of Longreach, said : "If the shareholder votes are respected, it will close. If the interests of Taiwan's financial system are respected, it will close. What I'm fighting against is the process getting subverted by local interest groups trying to block or delay regulatory approval."

Largest private equity investments in Taiwan						
Date	US\$m	Deal type	Investee	Sector	PE investor	Status
2020	2,674	Growth capital	Orsted - Greater Changhua offshore wind farm*	Utilities	CDPO; Cathay Capital	Current
2018	1,734	Buyout	China Network Systems	Telecom	KHL Capital	Current
2018	1,559	Buyout	LCY Chemical	Manufacturing	KKR	Current
2006	1,500	Buyout	China Network Systems	Telecom	MBK Partners	Exited 2018
2021	1,460	Buyout	GAPT Holding*	Technology	Wise Road Capital	Current
2006	1,300	Buyout	Eastern Multimedia	Telecom	The Carlyle Group	Exited 2010
2022	980	Buyout	Ginko International	Manufacturing	Baring Private Equity Asia	Current
2006	840	PIPE	Taishin Financial Holding	Financial services	Newbridge Capital	Exited 2012
2007	750	Buyout	Nien Made Enterprise	Manufacturing	CVC Capital Partners	Exited 2014
2007	696	Buyout	EnTie Commercial Bank	Financial services	Longreach Group	Current
2007	655	PIPE	Ta Chong Bank	Financial services	The Carlyle Group; Corsair Capital	Exited 2014
2007	647	Turnaround	Cosmos Bank	Financial services	SAC Capital Group	Exited 2015
2007	527	Buyout	Fu Sheng Industrial	Manufacturing	Oaktree Capital	Current

* Transaction agreed, not yet closed
Source: AVCJ Research

All of the trends featured here were sourced from AVCJ's proprietary database, AVCJ Research, featuring comprehensive information on private equity deals, fundraises and exits.

[Read more on AVCJ Research](#)

The rest of the week

FUNDS

- [Temasek launches decarbonisation investment platform](#)
- [Cathay achieves \\$241m first close on renminbi fund](#)
- [Hong Kong's Saltagen targets \\$120m for biotech fund](#)
- [Fullerton reaches \\$100m first close on Thai PE fund](#)

DEALS

- [Affirma targets Korea private debt, secondaries](#)
- [L Catterton leads Series D for India beauty player Sugar Cosmetics](#)
- [Australia's Go1 raises \\$100m at \\$2b valuation](#)
- [India's Gupshup acquires VC-backed OneDirect](#)
- [Vision Fund, GGV back China blockchain infrastructure player](#)
- [Hong Kong crypto player Babel hits \\$2b valuation](#)
- [Alpha Wave leads \\$57m round for India's Cuemath](#)
- [Indonesia social commerce player Super raises \\$70m](#)
- [Sequoia leads Series A extension for China's ProfoundBio](#)
- [Indonesia grocery delivery player Astro raises \\$60m](#)
- [Boyu, Confitop lead pre-IPO round for China pet food player](#)
- [Creador, InvAscent invest \\$68m in India medical supplier](#)
- [Navis backs Australasia software aggregation platform](#)

For your calendar

UPCOMING EVENTS

- **20 June 2022** - [Infralogic Investors Forum - Australia](#)
- **21-22 June 2022** - [AVCJ Australia & New Zealand Forum](#)
- **23 June 2022** - [Mergermarket M&A Forum - Australia](#)
- **25 July 2022** - [Infralogic Investors Forum - Asia Pacific](#)
- **26-27 July 2022** - [AVCJ Southeast Asia Forum](#)
- **28 July 2022** - [Mergermarket M&A Forum - Southeast Asia](#)
- **7 September 2022** - [AVCJ Korea Forum](#)
- **13 September 2022** - [Infralogic Investors Forum - Japan](#)
- **14-15 September 2022** - [AVCJ Japan Forum](#)
- **25-26 October 2022** - [AVCJ China Forum](#)
- **27 October 2022** - [Mergermarket M&A Forum - China](#)
- **15-17 November 2022** - [AVCJ Private Equity & Venture Forum](#)



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