# AVCJ Weekly Digest

## 05 April 2023


COVER STORY

### GULF GAMBIT: ASIA GPs COURT MIDDLE EAST LPs

Asian managers hope that macro trends work in their favour when fundraising in the Middle East. Being the right size and the right strategic fit also helps.

Read more

PROFILE

### HANS CHRISTIAN JACOBSEN OF PENM PARTNERS

Hans Christian Jacobsen's emerging markets experience spans Africa, Asia, the Middle East, and Eastern Europe. He ended up finding an appealing blend of growth, access, and stability in Vietnam.
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DEAL FOCUS

### GOLDMAN SECURES $1B EXIT FROM INDIA'S RENEW

Goldman Sachs has clocked a healthy return from ReNew Energy Global after helping the company diversify its offering and navigate the regulatory pitfalls of India's renewables space.
Read more

DEAL FOCUS

## HONG KONG'S GRYFYN ISSUES WEB3 PASSPORT

Gryfyn, the latest project from Hong Kong's Animoca Brands, has attracted several VC investors, most of which are not existing backers of its parent. The mission is simple: expand the metaverse.
Read more

DEAL FOCUS

## QIMING BETS ON RESILIENCE IN CHINA'S COFFEE SPACE

Qiming Venture Partners has doubled down on Chinese coffee brand Tasogare, identifying a consumer category endowed with rare advantages and poised to benefit from a broader domestic retail rebound.
Read more

*The AVCJ Weekly Digest will skip an issue next week. It returns on April 19.*

## By the Numbers

AVCJ RESEARCH

# CHINA BLUES

"If you've a venture capital manager in China and you're not Sequoia, Qiming, or Matrix, your hit rate is going to be one in 1,000 right now. It's almost not worth it," said one placement agent in a sobering assessment of the fundraising environment.

A lot of China GPs are said to be reviewing their fundraising targets. They include Hopu Magnolia, a growth capital unit of Hopu Investment Management, which has scaled back its ambitions from USD 450m to USD 250m. Hopu Magnolia has also asked LPs for an extension to its fundraising period.

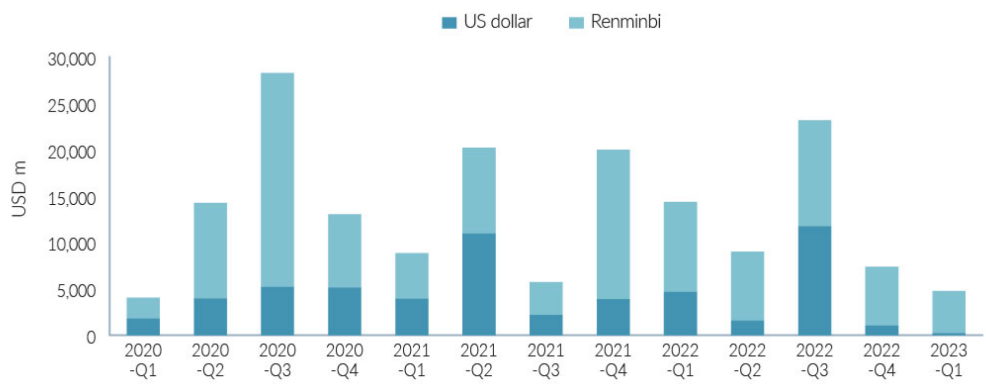
A relatively strong start, featuring support from US and Japanese LPs, couldn't be sustained in the face of COVID-19 and geopolitical tensions, the agent added.

Other sources identified several managers that achieved first closes but have since run aground, raising hardly anything in the past 12 months. They continue to doggedly pursue original or revised targets while LPs are asking whether it wouldn't be better to take what's there, focus on deployment, and return to market when conditions improve.

Provisional data from AVCJ Research for the first quarter of 2023 indicate that China managers raised a paltry USD 4.7bn, with more than 90% of that going to renminbi-denominated funds. But the renminbi total is still the lowest since the first quarter of 2020 when investors will dealing with the immediate impact of COVID-19.

The US dollar total has never been lower – although commitments have been on a downward trend for the past four quarters. Bumper fundraises by Sequoia Capital China and Qiming Venture Partners turned the third quarter of 2022 into an outlier.

**Quarterly China PE fundraising – US dollar vs renminbi**




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

- Kotak reaches first close on second India special situations fund
- Japan's Fiducia hits second close on debut fund

### DEALS

- GIC takes co-control of Bain-owned Japan software company
- Logistics start-up Lalatech pursues Hong Kong IPO
- JIC Capital backs Japan's Hitachi Astemo
- China autonomous truck developer DeepWay raises $112m
- Bessemer leads Series C for New Zealand’s Halter
- Creador completes exit from Malaysia's Mr DIY
- D Capital agrees Japan digital marketing carve-out
- VCs back Indonesia battery-swapping scooter maker
- Japan's EV Motors raises $27m in extended Series C
- Quadrant completes New Zealand cybersecurity roll-up
- CCV leads round for China chip designer Cmind-Semi
- Singapore quantum computing start-up secures $18.1m
- Japan 'deskless workforce' start-up raises $23m

### PEOPLE MOVES

- OMERS appoints Asia Pacific head
- SE Asia financial services specialist Triple P adds partner
- Japan's J-Star names three new partners
- China’s Linear Capital adds partner

## For your calendar

## UPCOMING EVENTS

- **25 April 2023** - Mergermarket M&A Forum - Southeast Asia
- **26-27 April 2023** - AVCJ Southeast Asia Forum
- **26 April 2023** - Mergermarket Private Equity Forum - New York
- **27-28 June 2023** - AVCJ Japan Forum
- **29 June 2023** - Mergermarket M&A Forum - Japan
- **5-6 September 2023** - AVCJ China Forum
- **13 November 2023** - AVCJ Diversity & Inclusion Forum
- **13 November 2023** - AVCJ ESG Forum
- **14-16 November 2023** - 36th AVCJ Private Equity & Venture Forum
- **6 December 2023** - Mergermarket M&A Forum - Hong Kong



**Get in touch**

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