

AVCJ Weekly Digest



03 August 2022



COVER STORY

SEED PLATFORMS: THE GLOBAL vs LOCAL DEBATE

Seed investors are pursuing global mandates and building out larger teams. Challenges are starting to cast shadows over the benefits, but it's early days.

[Read more](#)

PORTFOLIO

CBC GROUP AND ENSEM THERAPEUTICS



CBC Group plans to allocate USD 300m from its latest flagship fund to a biotech incubation platform. Artificial intelligence-enabled drug discovery player Ensem Therapeutics is an example of what it wants to achieve. [Read more](#)

DEAL FOCUS

CREADOR GOES EARLY IN DIGITAL BANKING

Only six digital banks are licensed to operate in the Philippines. Enthused by the prospect of helping build one of these select few from the ground up, Creador moved fast to back UnoAsia. [Read more](#)



DEAL FOCUS

CHINA START-UP MINES 3-D PRINTING'S MICRO POTENTIAL



Supported by a string of Chinese investors, Boston Micro Fabrication has carved a niche serving global manufacturers that want 3D printing solutions for very small components. [Read more](#)

By the Numbers

AVCJ RESEARCH

ANOTHER WINDFALL DOWN UNDER

Only a handful of enterprise software exits in Australia and New Zealand have surpassed USD 400m. Potentia Capital [closed its debut fund](#) on the back of one of them: the sale of HR software provider Ascender in early 2021, which generated a 16x return. Now the GP appears to have repeated the trick with Micromine.

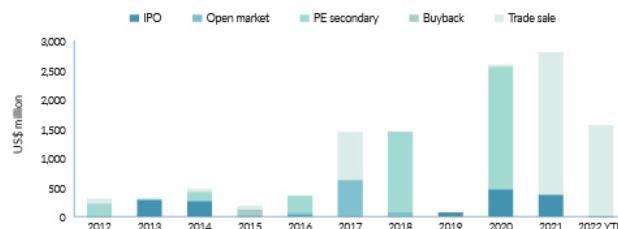
Less than two months since announcing [a AUD 635m \(USD 438m\) final close](#) on Fund II – suggesting that an exit process was at the very least being teed up when LPs cut their cheques – Potentia has agreed to [sell its position in Micromine](#). UK-based AspenTech will acquire the mining software business for AUD 900m.

The deal takes total proceeds from technology sector exits in Australia and New Zealand to USD 1.6bn year to date. This compares to USD 2.8bn in 2021 – for the full 12 months – and USD 2.6bn in 2020. The combined total for the preceding five years was USD 3.5bn. Sales to strategic players and to other financial sponsors account for the bulk of deal flow, in terms of value and volume.

This activity underlines the fundamental appeal of business services in Australia and New Zealand. Start-ups have demonstrated an ability to target global customers by leveraging their common language with key Western markets, relatively deep pools of local talent, and the proliferation of increasingly affordable cloud-based services.

One possible exit that failed to materialise was [MYOB](#), which ANZ was in talks to acquire from KKR for a reported AUD 4bn. The company is peculiar in that it had to transition to the cloud – products were initially shipped by CD-ROM – and continues to rely on Australia for the bulk of revenue. Moreover, its former CEO and one of its former investors went on to establish Potentia.

PE exits in Australia's technology sector



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

- [LPs worried by rising fund sizes in Southeast Asia - AVCJ Forum](#)
- [Insignia raises \\$516m for latest Southeast Asia vintage](#)
- [EmergeVest co-founder joins VI to launch credit strategy](#)
- [China's ClearVue targets \\$100m for blockchain fund](#)
- [Third close brings Circulate's cleantech fund to \\$53m](#)

DEALS

- [SE Asia exits set for near-term turbulence, long-term strength - AVCJ Forum](#)
- [PAG buys majority stake in China solvents business](#)
- [Skip Capital, Stonepeak pursue Australia's Genex Power](#)
- [Carlyle, Advent commit \\$1.1b to India's Yes Bank](#)
- [Apax buys Australia automotive auctions platform](#)
- [Centurium leads \\$200m round for China textile tech specialist](#)
- [Carousell buys VC-backed Indonesia re-commerce platform](#)
- [India's ASG Eye Hospitals gets \\$188m from Kedaara, GA](#)
- [Sylvan buys Singapore orthopaedics business](#)
- [ABC Impact backs China autism therapy business](#)
- [Nue3 Capital leads Series C for Singapore's SuperAtom](#)

LPs

- [GIC looks to PE to drive returns amid rising inflation](#)

For your calendar

UPCOMING EVENTS

- **7 September 2022** - [AVCJ Korea Forum](#)
- **13 September 2022** - [Infralogic Investors Forum - Japan](#)
- **14-15 September 2022** - [AVCJ Japan Forum](#)
- **13 October 2022** - [Debtwire Forum - Asia Pacific](#)
- **25-26 October 2022** - [AVCJ China Forum](#)
- **14 November 2022** - [AVCJ ESG Forum](#)
- **14 November 2022** - [Diversity & Inclusion Forum](#)
- **15-17 November 2022** - [AVCJ Private Equity & Venture Forum](#)
- **6 December 2022** - [Mergermarket M&A Forum - Hong Kong](#)



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