AVCJ Weekly Digest | 10 August 2022 View in browser

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COVER STORY

ASIA AGTECH: WORK IN PROGRESS

Global food supply issues and local economic realities are driving more capital into Asia's agtech space, where business models are still being proven.

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PROFILE

ANIL AHUJA

After pioneering Indian private equity and helping launch some of the biggest movers and shakers in the region, Anil Ahuja called it quits. In some ways, the postscript has been more rewarding.
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FUND FOCUS

GLY TARGETS TRANSPORTATION TRANSFORMATION

Gly Capital Management, which is owned by a Chinese automaker, tapped external investors for the first time in raising USD 163m for global investments in smart cities and smart cars.
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DEAL FOCUS

ALLEGRO PUMPS UP IN NEW ZEALAND

Australia's Allegro Funds has made its first investment from its largest fund to date, flexing new capacity to invest at scale with petrol station chain Gull New Zealand.
Read more

FUND FOCUS

INSIGNIA TAKES TWO MONTHS TO SCALE UP

Insignia Venture Partners received subscriptions to its third fund amounting to twice the size of the final corpus, underlining the appeal of Southeast Asia. The GP is keen to leverage China's talent exodus.
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By the Numbers

AVCJ RESEARCH

RUMINATIONS ON SIZE

Much of the media coverage around the launch of Bain Capital's latest Asia fund highlight how the target of USD 5bn is modest compared to the sums pursued by some of the firm's global and pan-regional peers. This has always been the case.

Bain closed its first Asian vehicle on USD 1bn in 2007, around the time KKR made its own entrée to the region with a fund four times larger. Meanwhile, the likes of TPG Capital, The Carlyle Group, and CVC Capital Partners, which had run dedicated strategies for longer, has surpassed USD 3bn.

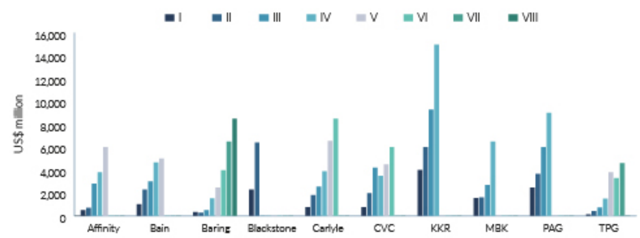
Over the next three vintages, Bain moved to USD 2.3bn and on to USD 3bn and USD 4.65bn, increases of 130%, 30%, and 55%. In some cases, increases reflected a broadening of the geographic remit. KKR has been far more aggressive, closing its fourth fund last year on USD 15bn. The same can be said of Carlyle, albeit to a lesser extent, while TPG and CVC have lagged somewhat.

It remains to be seen where Bain will end up on Fund V. It has yet to set a hard cap and the USD 5bn target represents institutional capital only. In Fund IV, for example, LPs contributed USD 4bn and an additional USD 650m came from employees and related parties. Moreover, it's worth noting that fund size doesn't prevent Bain chasing the largest deals, with plenty of global capital to drawn on.

Others in the market do not appear to be holding back, although their expectations for China investment over the next five years – a key geography for almost every pan-Asian fund – are no doubt an interesting talking point in LP meetings. Carlyle is seeking USD 9bn (up from USD 6.5bn), CVC wants USD 6bn (from USD 4.5bn), and PAG is targeting USD 9bn (from USD 6bn).

Baring Private Equity Asia (BPEA) has already collected USD 8.5bn and it is suggested it could close on as much as USD 10bn, while The Blackstone Group – on only its second Asia fund – has scaled up from USD 2.3bn to USD 6.4bn.

Asia flagship funds raised by regional and global GPs



Note: Latest funds for Bain, Baring Asia, Carlyle, CVC, and PAG are all target sizes
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

- Bain targets $5b for fifth Asia fund
- New Zealand's GreenMount seeks $69m for co-investment fund
- Singapore's Singtel pumps $100m into VC arm

DEALS

- China's Black Sesame completes Series C with $500m haul
- Uber, Tiger make Zomato realisations
- ADIA, GIC lead $300m round for China's Taibang Biologic
- Adamantem to carve out cardiology unit from Australia's GenesisCare
- Omnivore exits India agtech player Eruvaka
- China biotech player Sironax raises $200m Series B
- Australia's Genesis makes biolabs investment
- Qiming, Quan lead $120m Series B for China's OriCell
- Sarmaycar, Shorooq back Pakistan fintech player OneLoad
- J-Star invests Japanese courier business
- India fintech app Dezerv raises $21m Series A
- Ex-EQT partner wins funding for Asia ESG services platform

PEOPLE MOVES

- Carlyle CEO Kewsong Lee steps down
- Thailand's SCB 10X appoints Mukaya Panich as CEO

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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