

AVCJ Weekly Digest

by Mergermarket

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COVER STORY

AI IN DUE DILIGENCE: CRUNCHING NEW NUMBERS

PE is rediscovering artificial intelligence as a due diligence tool in the wake of ChatGPT, but data security, legal, and technical risks have curbed uptake.

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ANALYSIS

CHINA SECONDARIES: WILLING SELLERS?



Few, if any, LPs are so desperate to divest China exposure that they will sell fund positions at any price. The main sticking point for secondary transactions is a disconnect on valuations.

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FUND FOCUS

FOREBRIGHT RELIES ON ITS DOMAIN EXPERTISE

LP allocations to China funds are limited in number and hotly contested. Forebright Capital closed its latest vehicle by emphasising its track record in advanced manufacturing and enterprise software.

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FAMILY OFFICES FLOCK TO FIRSTCRY



FirstCry's USD 52m funding round underscores the willingness of certain Indian family offices to lead sizeable technology deals and the importance attached by companies to investor base diversification.

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By the Numbers

AVCJ RESEARCH

AUSTRALIA UNBLOCKED

With one month of the third quarter to go, private equity investors have deployed approximately USD 13bn in Asia, according to provisional data from AVCJ Research. Matching the USD 39.8bn put to work between April and June seems a tall order.

Activity is weak in all major markets – apart from one. Australia has seen USD 2.4bn in private equity investment so far this quarter, already bettering the second-quarter total of USD 1.5bn. It is responsible for two of the three largest deals announced:

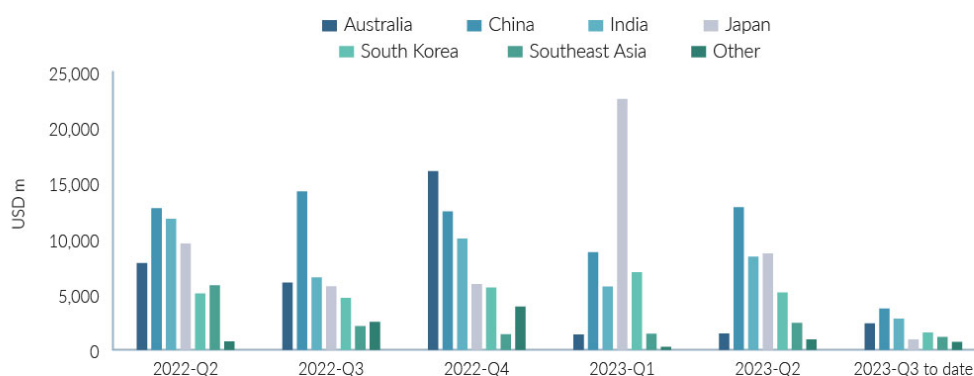
[Zimmerman](#) (Advent International, USD 1bn) and [Australian Venue](#) (PAG, USD 900m).

The revival is largely driven by long-simmering buyouts finally coming to the boil. Obstacles have been removed – whether it was insufficient leveraged financing, differences in valuation expectations, or uncertainty around post-pandemic performance data – which should encourage dealmakers.

Australian Venue is a case in point. The company owns a portfolio of pubs, bars, and restaurants that KKR has assiduously expanded over the course of six years, COVID-19 notwithstanding. BGH Capital was close to buying the asset last year, but the deal stumbled at the last. Now PAG has moved in.

Two sizeable take-private situations also came to fruition, in each case after an approximately five-month pursuit. Bain Capital won board approval for a AUD 959m (USD 630m) acquisition of aged care provider [Estia Health](#) and then TPG Capital made a AUD 2.2bn breakthrough funeral services player [Invocare](#).

Asia PE investment by jurisdiction



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.

The rest of the week

FUNDS

- [Indonesia's Venturra teams up with Dasyim for next fundraise](#)
- [Centurium scales back China fund target to \\$1.5b](#)
- [HSBC increases GBA Sustainability Fund to USD 9bn](#)

LIQUIDITY EVENTS

- [Dymon exits Singapore's AMES via trade sale](#)
- [PE-backed Gambol Pet trades up after \\$220m China IPO](#)
- [BPEA EQT exits India's Coforge via \\$924m block trade](#)
- [Vietnam's VNG files for US IPO](#)
- [Everstone completes exit from India's SJS Enterprises](#)
- [China's PE-backed Ubtech Robotics files for HK IPO](#)
- [CLSA exits Japanese uniform rental business Uni-Mate](#)

DEALS

- [QIA invests \\$1bn in India's Reliance Retail](#)
- [Korea Credit Data raises \\$75m, achieves unicorn status](#)
- [WestBridge buys investment platform FundsIndia](#)
- [India's Zepto raises \\$200m at \\$1.4bn valuation](#)
- [China's HC Scientific gets \\$41m Series B extension](#)
- [Australia's Airtree leads round for space tech start-up](#)

OTHER

- [SEC votes through disclosure reforms for private funds](#)

For your calendar

UPCOMING EVENTS

- **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](#)



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