



18 May 2022



## COVER STORY

**CHINA OUTBOUND:  
ORGANIC OPTIONS**

Tough domestic competition is forcing Chinese tech start-ups to expand overseas – organically, earlier than before, and despite regulatory concerns

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## Q&amp;A

**JENNIFER BUCKLEY OF SWEET CAPITAL**

Jennifer Buckley spun out the Southeast Asian gender-lens investment unit of impact private equity firm SEAF last year, forming Sweet Capital. Adding to the complexity, it happened mid-fundraise.

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## FUND FOCUS

**EAST VENTURES EXPANDS ITS LP ROLODEX**

Indonesia's East Ventures reached beyond Asian LPs for the first time with its latest growth fund. It coincides with several other milestones that signal a new level of institutionalisation.

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## DEAL FOCUS

**ELEVATION TARGETS LUMENA UPLIFT**

Elevation Equity Partners sees Korean consumer electronics brand Lumena as a diamond in the rough, with high margins, quality products, and scope for domestic and international expansion.

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## DEAL FOCUS

**MEKONG UNCONFINED TO CONSUMER THESIS**

Having long eschewed industrial business models, consumer-focused Mekong Capital has made an exception in the name of environmental impact with Vietnam agricultural supplier Entobel.

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By the Numbers

AVCJ RESEARCH

THE SOFTBANK STORY

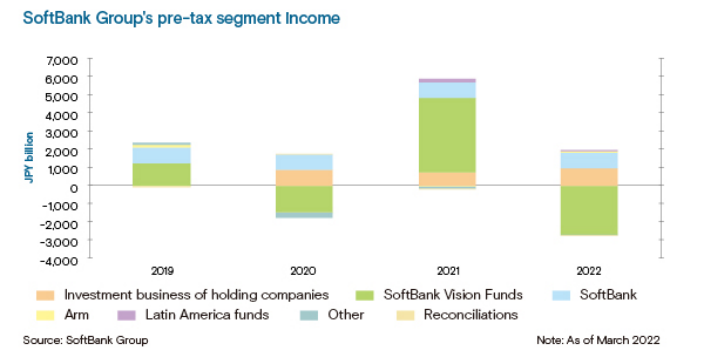
The fortunes of SoftBank Group's Vision Fund series have tracked those of the technology sector, pre-pandemic and post-pandemic: an investment loss of JPY 1.8trn (USD 13.9bn) in the 12 months ended March 2020; a gain of JPY 6.4trn in 2021; and a loss of JPY 3.5trn in 2022. Group-level pre-tax income has fluctuated accordingly, from negligible to JPY 5.7bn to a loss of JPY 870bn.

In early 2020, SoftBank's narrative was underpinned by the damage wrought by COVID-19. A year later, with much of its tech portfolio enjoying pandemic tailwinds, the firm championed its ability to hatch "golden eggs" by betting big on promising start-ups. The [2022 annual presentation](#) leads on macro chaos: COVID-19, Ukraine, rising commodity prices, inflation, interest rate hikes, and volatile public markets.

Regulatory turmoil in China's technology is barely referenced in the presentation. However, Masayoshi Son, SoftBank's founder, said investments in the country would trend towards the smaller. The overall tone was more muted, with SoftBank promising to go on the defensive and focus on monetising existing positions.

The rollercoaster ride that is the Vision Fund series isn't surprising. A strategy that involves placing outsized bets on perceived market leaders is spectacular when all goes well but disastrous when it doesn't. Even though Vision Fund 2 has shifted to smaller, often earlier-stage investments, much of the big money ethos remains.

Prior to the recent nadir, most of which unfolded in the first three months of 2022, critics of the Vision Fund model argued that [capital is no longer a differentiator](#): plenty of other investors are now willing and able to write large cheques. Now SoftBank faces the prospect of tending to a wounded portfolio when much of the growth-stage capital spurring the sector to new highs has run away.



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.

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## The rest of the week

### FUNDS

- [Indonesia's Sinar Mas launches smart city VC fund](#)
- [China Renaissance raises \\$446m for renminbi fund](#)
- [Singapore's Fullerton tokenises PE fund-of-funds](#)
- [Eight Roads launches \\$250m India healthcare fund](#)
- [Singapore VC closes food tech fund at \\$34m](#)

### DEALS

- [Market volatility thwarts CVC pursuit of Australia's Brambles](#)
- [Macquarie buys into Provident, Saratoga-owned digital infra platform](#)
- [PAG backs acquisition of India's Optimus Drugs](#)
- [Tiga SPAC to merge with San Vicente-owned Grindr](#)
- [Crypto exchange KuCoin raises \\$150m pre-Series B](#)
- [India's NIF joins \\$128m round for Ather Energy](#)
- [IFM acquires Australia SaaS player Render Networks](#)
- [TPG, Temasek invest \\$136m in India's Dr Agarwal's](#)
- [Indonesia's Qoala raises \\$65m Series B](#)
- [India e-commerce enabler Gokwik raises \\$35m](#)
- [Baring Asia makes Series A software investment](#)
- [ICG buys New Zealand's Canopy Healthcare](#)

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## For your calendar

### UPCOMING EVENTS

- **24 May 2022** - [AVCJ Taiwan Forum](#)
- **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 Singapore 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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