AVCJ Weekly Digest | 03 November 2021 View in browser

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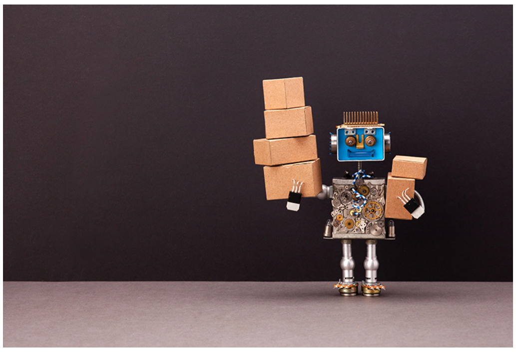

COVER STORY

LOGISTICS: MACHINERY MACHINATIONS

As private equity goes deeper downstream in the e-commerce supply chain, technology has emerged as a prerequisite and stumbling block.

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TALKING POINTS

LIQUIDITY MATTERS

Singapore has launched various initiatives to plug holes in its technology ecosystem. Some arguably haven't worked: the mid-1990s Technopreneurship Fund that seeded VC managers who decamped to China. Others arguably have: the series of capital matching schemes from 2010 designed to stimulate early-stage activity.

With capital increasingly plentiful at all stages through late-growth – thanks largely to technology sector tailwinds – Singapore is focused on the point of IPO. There will be a pre-IPO fund to encourage listings by high-growth companies and an IPO anchor fund to ensure a strong institutional reception. Industry participants also suggest that restrictions on sovereign money participating in local markets, intended to reduce concentration risk, could be relaxed. This may shore up secondary market activity. Singapore even has a regime for special purpose acquisition companies (SPACs).

Most recently, Temasek Holdings officially unveiled 65 Equity Partners, a wholly-owned entity responsible for managing the IPO anchor fund and a separate vehicle tasked with developing regional champions. 65 Equity Partners will also make investments of $100-200 million in more mature companies eyeing regional and global expansion.

Numerous investors speak positively about the efforts being made, but their answers lack definitive resolution. There are always caveats – much depends on whether Singapore can stay head of the game on regulation without compromising its safeguards, and whether it can deliver a liquid enough market that companies attracted to list on the local exchange want to remain listed there. Most of these investors speak from experience, having seen a few false dawns.

In Depth:

- SPACs: Longer menu **- October 2021**

Q&A

HANS WANG OF CVC CAPITAL PARTNERS

The head of the Greater China and Asia cross-border teams at CVC Capital Partners discusses uncertainty in China, the evolution of partnership and control strategies, and how to stay ahead in Asia.
Read more

ANALYSIS

CHINA E-COMMERCE: CHAOS IN THE COMMUNITY

With investor sentiment on China's technology sector cooling, community group buying platforms are battling to conserve cash. This has done little for the government's anti-monopoly drive.
Read more

FUND FOCUS

GENESIS REINFORCES AUSTRALIA SPECIALIST THESIS

Having raised $142 million for its debut fund, Genesis Capital joins a select group of Australian mid-market GPs with blind pools. The firm believes a singular focus on healthcare was a key selling point.
Read more

DEAL FOCUS

KV ASIA OPTS FOR BEAUTY IN INDONESIA DEBUT

KV Asia has paid $43 million for a 25% interest in Indonesian beauty and personal care brand Victoria Care, convinced by the company's ability to stay ahead of the curve in a highly fragmented market.
Read more

SEEN AND HEARD

TRANSITION REPORTING

Shifting focus from a top-down to a bottom-up approach to decarbonization, Canada Pension Plan Investment Board (CPPIB) offers a broad conceptual framework for projecting an organization's abatement capacity. Strategic planning, benchmarking, financing transition, independent validation, and annual review are the key line items.

SEEN AND HEARD

ELUSIVE CLARITY

While three-quarters of Singapore-based investors recognize the importance of environment, social and governance (ESG) issues, only 14% are confident their portfolios are aligned to their ESG values, a CapitalPreferences survey found. Only about one-third know how they want E, S, and G pillars to be represented.

The rest of the week

FUNDS

- Baring Asia makes second close on Fund VIII, reaches $8.5b target
- 3H Healthcare closes second US dollar fund at $330m
- Japan's Keystone targets $440m for Fund V
- Affirma achieves $473m final close on fifth Korea fund
- Wavemaker launches Southeast Asia climate tech fund

DEALS

- China e-commerce SaaS player Huice raises $312m
- Blackstone buys Australia clinical trials specialist
- Qihoo leads $630m round for China EV maker Hozon
- India's Acko achieves unicorn status with $255m round
- China ride-hailing app T3 Go raises $1.2b
- General Atlantic leads Series C for Philippines-based Kumu
- Primavera joins $326m round for Taiwan EV supplier
- Kedaara leads $75m round for India's Purplle
- China smart home specialist Aqara raises $156m
- India grocery delivery player Zepto raises $60m

For your calendar

UPCOMING EVENTS

- **November 15 -** AVCJ ESG Forum
- **November 16-18 -** AVCJ Private Equity & Venture Forum
- **December 2 -** Hong Kong M&A Forum
- **December 9 -** AVCJ Diversity & Inclusion Forum

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