AVCJ Weekly Digest

30 November 2022

COVER STORY

FTX: CRYPTO DISMISSES ANOTHER DEATHBLOW

Emerging technology giant implodes. Rules are set to tighten. Investors hit pause but remain confident about the long term. Business as usual in crypto.

Read more

PORTFOLIO

TRUSTAR CAPITAL AND CHINA'S TRUSTLINK

Through Trustlink, Trustar Capital has successfully executed a buy-and-build strategy in China’s facility management space, using scale and standardisation to win contracts from multinationals.
Read more

FUND FOCUS

PANACEA DEFIES BIOTECH DOWNTURN

Having raised its second fund amid weakening investor sentiment for biotech, Panacea Venture expects deployment to be guided by a widening valuation gap between the US and China.
Read more

DEAL FOCUS

LIONROCK FINISHES POLISHING CLARKS

LionRock Capital is exiting Clarks to its majority partner, Li Ning-owned and Hong Kong-listed Viva China, having helped the struggling British shoe brand survive the pandemic.
Read more

DEAL FOCUS

IFM SECURES DEBUT LONG-TERM CAPITAL DEAL

Targeting PRP Diagnostic Imaging through its long-hold fund meant IFM Investors could offer the company stability and partnership. It expects to generate dividend yield and capital growth.
Read more

Q&A

KKR AGREES FIRST AUSTRALIA GROWTH TECH DEAL

Patrick Reid, a UK-based managing director for alternatives distribution management at Morgan Stanley, plots future of themes around secondaries, longer holds, and hybrid approaches to PE.
Read more

By the Numbers

AVCJ RESEARCH

GOING ELECTRIC

More than USD 1.6bn has been put to work in India’s electric vehicle (EV) space since 2018. It represents a fraction of the China total, but momentum is building, with a dozen investments announced since the start of the year, according to AVCJ Research. It is the first time that deal count has entered double figures on an annual basis.

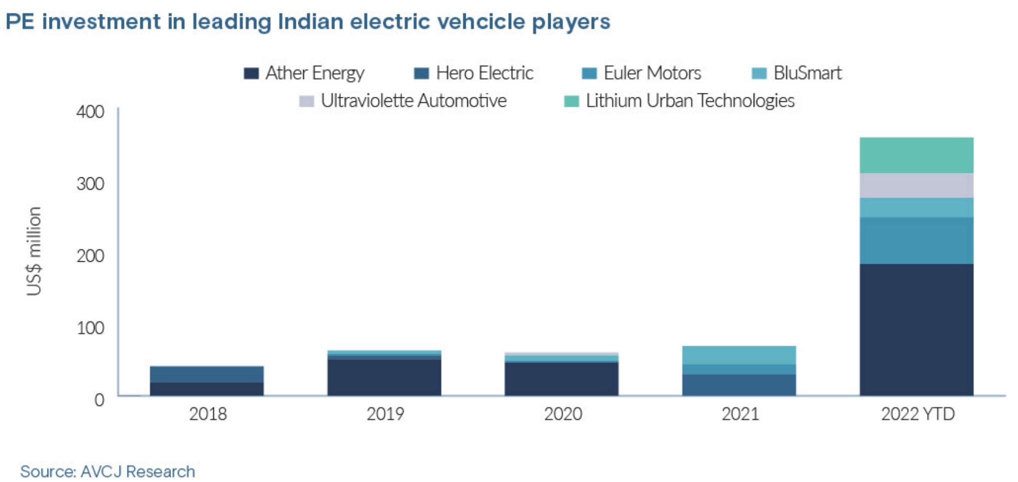
Inevitably for a nascent industry, capital is concentrated on a handful of companies. TPG Rise Climate and ADQ's USD 994m commitment to the EV unit of Tata Motors last October is the ultimate outlier. Dismiss this from consideration and six companies come to the fore: Ather Energy, Hero Elecrtric, Euler Motors, BluSmart, Ultraviolette Automotive, and Lithium Urban Technologies.

They pursue different business models – two-wheeler vs four-wheeler, manufacturer vs fleet operator – but they are the independent vanguard. Together, the six start-ups have raised nearly USD 600m, with more than half of that sum secured in 2022.

Last week, Ultraviolette added USD 24m to an ongoing Series D that now amounts to USD 34m. It follows BluSmart doubling the size of its Series A to USD 50m, Euler securing a USD 60m Series C, Ather raising USD 178m across a two-tranche Series E, and EverSource Capital acquiring a majority stake in Lithium Urban for USD 50m.

Asked about the timing of this surge, Arpit Agarwal, a director at Blume Ventures, told AVCJ that until recently EVs simply were not good enough. The first generation was of Chinese design and based on Chinese, and therefore unsuited to India's roads. It is only now that vehicles built and made for India by India are becoming widely available.

EV sales reached 520,000 units in the 12 months ended March 2022, a more than twofold increase on the previous year, according to Avendus Capital. Two-wheelers dominate the market, accounting for 322,000 in sales. In the three-wheeler cargo EV segment, sales increased from 800 to 6,400 units. Nevertheless, penetration remains relatively low.h public market selloffs in the sector globally.



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

- Unison Korea targets $680m for Fund III
- China's Primavera targets $300m for credit fund
- Proterra raises $200m for Asia food fund
- India's Multiples targets up to $1b for Fund IV
- Heliconia, Yanzijiang Financial launch SE Asia SME fund
- India's Kae Capital closes Fund III on $94m

DEALS

- China's CMC trims stake in City Football Group
- Japan's Jafco launches buybacks to thwart activist threat
- Chaos leads $100m Series B for China's FreeTech
- ADIA, SC Capital to invest $2bn in Asia data centres
- ACE Equity-backed SPAC acquires US electronics player
- Lighthouse seals partial exits from India's Nykaa with 14x return
- Government investors support Chinese EV player Letin
- India's Five Star completes $195m IPO, GPs make partial exits
- Korea laundry start-up gets $36m Series C
- China's Ruiyun Cold Chain raises $28m
- Norwest invests $32m in India's Celebal Technologies

For your calendar

UPCOMING EVENTS

- **6 December 2022 -** Mergermarket M&A Forum - Hong Kong
- **21-22 February 2023** - AVCJ China Forum
- **7-9 March 2023** - AVCJ Australia & New Zealand Forum
- **14 March 2023** - Mergermarket M&A Forum - Australia
- **15 March 2023** - Infralogic Investors Forum - Australia

Connect with us & learn more

Get in touch

subs@avcj.com

25th Floor, The Center
99 Queen's Road Central; Hong Kong SAR