AVCJ by Mergermarket Weekly Digest

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COVER STORY

CHINA VC: AMICABLE DIVORCES

Regulatory pressures are encouraging Chinese VC firms to end US affiliations, but the impact of impending legislation cuts deeper into China sentiment.

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Q&A

CHRIS BOTSFORD OF ADM CAPITAL

Chris Botsford, co-founding partner and CIO of Asia-focused private credit provider ADM Capital, on linking financial and sustainability outcomes, the merits of SMAs, and opportunities in complexity.
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DEAL FOCUS

GPs CHANGE CHANNEL ON CONTENT STREAMING

The Fundamentum Group sees mass-market promise in Indian digital audio platform Kuku FM. It's targeting a 50% market share by focusing on uniquely local content in vernacular languages.
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DEAL FOCUS

BOLTTECH BENEFITS FROM RUNNING START

Bolttech has pieced together one of the world's largest digital insurance broking platforms through targeted acquisitions. Now, increased emphasis is attached to expansion from broking into underwriting.
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AVCJ RESEARCH

VIETNAM'S FAMILIAR FACES

“Whenever you make a new investment, you can do all the checks and due diligence, you can talk to everyone who ever worked there, but you don’t really know if the partnership will work,” Hans Christian Jacobsen, a managing partner at PENM Partners said earlier this year. “Instead of entering into seven or eight new relationships with each fund, the most valuable thing for us is the knowledge and trust we have built with a company.”

Jacobsen was explaining PENM’s affinity for Masan Group, a Vietnamese conglomerate it has backed multiple times. Masan is a consistent theme running through the firm’s history: each of the firm’s four funds raised to date has invested in at least one Masan subsidiary, and Jacobsen expects to repeat the trick in Fund V.

He is not alone in favouring Masan – it might as well be the go-to private equity portfolio company in Vietnam. AVCJ Research has records of investments in 25 companies in the Masan family, from VinaCapital’s early dabbling in Masan Food and KKR’s sizeable cheques for Masan Consumer Corporation and Masan Nutri-Science through BPEA EQT and TPG Capital support for The CrownX, the product of an ambitious merger between Masan Consumer Holdings and VinCommerce.

Bain Capital is the latest addition, making its Vietnam debut with a USD 200m commitment to Masan at group level. The investment was positioned much like The CrownX – an opportunity to participate in the company’s transition from a branded products company into an integrated consumer-retail platform.

These repeat deals point to the prevailing private equity habit of gravitating towards counterparties of size and repute in Indonesia. The same applies to Southeast Asia and for much the same reason: these markets are still nascent, corporate track records are unproven, stick to what – and who – you know.

PE investment in Masan Group companies

Date	Amount USDm	Division	Investors
6-Aug	2.43	Masan Food	VinaCapital
7-Dec	13	Masan Food	VinaCapital
8-Nov	27	Masan Food	PENM Partners
9-Mar	20	Masan Food	Undisclosed Investor(s)
9-May	9.4	Masan Food	Mekong Capital
9-Oct	57	Masan Group	PENM Partners; TPG Growth
10-Jan	13	Masan Group	PENM Partners
10-Nov	18.84	Masan Food	Undisclosed Investor(s)
11-Jan	100	Masan Resources	Mount Kellett Capital
11-Apr	159	Masan Consumer	KKR Asia
12-Jun	104.81	Masan Group	Undisclosed Investor(s)
12-Dec	24.99	Masan Resources	PENM Partners
13-Jan	200	Masan Consumer	KKR Asia
13-Jul	50	Masan Agriculture	TPG Growth
13-Aug	n/d	Masan Group	Chandler Corporation
15-Apr	n/d	Masan Group	Undisclosed Investor(s)
15-Jul	360	Masan Consumer	Undisclosed Investor(s)
15-Nov	n/d	Masan Consumer	Undisclosed Investor(s)

16-Mar	139.5	Masan Group	GIC Special Investments
17-Apr	100	Masan Group	KKR Asia
17-Apr	150	Masan Nutri-Science	KKR Asia
18-Oct	209	Masan Group	GIC Special Investments; Undisclosed Investor(s)
21-May	400	The CrownX	Alibaba Group; Baring Private Equity Asia
21-Dec	350	The CrownX	ADIA; Temasek Holdings; TPG Capital,
23-Oct	200	Masan Group	Bain Capital

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

DEALS

- True North agrees $326m India health insurance exit
- Alibaba confirms Hong Kong IPO plan for logistics unit
- PAG to buy cinema business from Chinese property developer
- Brookfield launches $845m India renewables platform
- Japan's J-Star exits HR business to Longreach
- China's Enflame secures $273m Series D
- Singapore green hydrogen player gets $115m
- China GP Tiantu Capital targets $253m Hong Kong IPO
- Bain pursues $147m acquisition of Japan's System Information
- L Catterton backs beauty industry biotech supplier
- Vertex leads $20m round for India D2C beauty player
- Australia SaaS platform Neara upsizes Series B
- China healthcare AI start-up Huimei gets $41m Series D

OTHER

- Temasek's True Light Capital raises $3.3b China fund
- LPs favour co-invest, secondaries as allocation appetite warms - survey
- DCM adds partners in Japan, China

For your calendar

UPCOMING EVENTS

- **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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