AVCJ Weekly Digest

by Mergermarket

13 September 2023

COVER STORY

INDIA HEALTHCARE: NEW MOMENTUM, NEW DIRECTION

PE has become comfortable with niche segments and regional sub-markets in Indian healthcare services. Technology-based business models are next.

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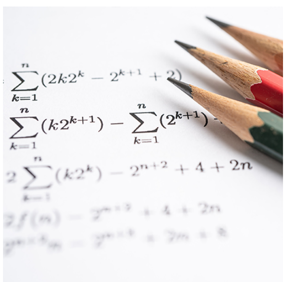
TALKING POINTS

AVCJ AWARDS 2023 - NOMINATIONS CLOSE SEPTEMBER 22

Industry participants have until September 22 to put forward the firms, fundraises, investments, and exits they believe worthy of consideration. For more information, go to www.avcjforum.com/awards

PORTFOLIO

GAJA CAPITAL AND INDIA'S EDUCATIONAL INITIATIVES



Educational Initiatives was not part of India's pandemic-driven ed-tech explosion. The PE-owned company emerged from the chaos having reaffirmed its sustainable, school-facing business model

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FUND FOCUS

500 GLOBAL SCALES UP IN SOUTHEAST ASIA

By investing early and building a diversified portfolio, 500 Global emerged from the technology valuation corrections somewhat unscathed. This gave the firm impetus when raising its third Southeast Asia fund.
Read more

DEAL FOCUS

SHAWKWEI DELIVERS US DEAL FLOW

ShawKwei & Partners found its niche in Asia-based industrials businesses with relative cost advantages. Thanks to geopolitics and shifting growth patterns, the GP is now targeting assets in North America.
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By the Numbers

AVCJ RESEARCH

THE RELIANCE EFFECT

Reliance Industries has an ambitious plan to digitalise India's consumer sector and plenty of PE investors are backing the domestic behemoth to push it through.

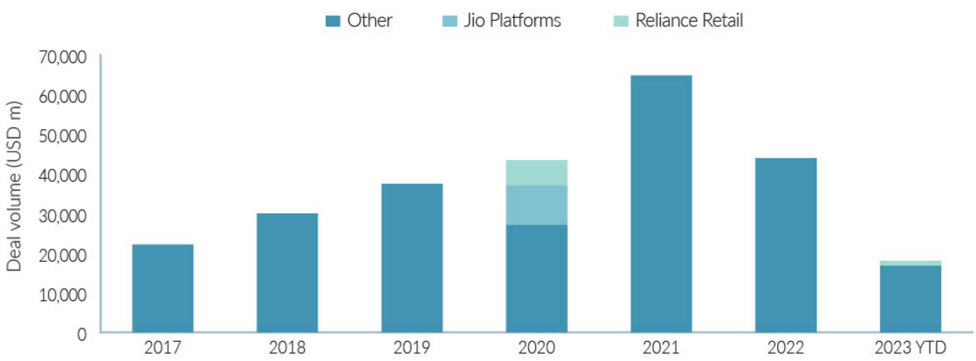
Jio Platforms – the holding company for a range of apps, some nascent broadband and cable services, and India's leading mobile carrier – is responsible for the demand side, packaging e-commerce into a broader digital offering. Reliance Retail is tasked with transforming the supply side by helping 20m merchants apply technology solutions to retail processes and supply chain infrastructure.

When these businesses last came to market in 2020, they collected USD 9.9bn and USD 6.4bn, respectively, mostly global GPs and sovereign wealth funds. The two companies accounted for more than one-third of all PE investment in India that year.

The 2020 total of USD 43.4bn was bettered in 2021 and 2022 without any assistance from Reliance Industries. Now, though, the behemoth is back, securing USD 1bn from Qatar Investment Authority (QIA) and USD 250m from KKR. The pre-money valuation of USD 100bn is double what it was in the previous round. It is said to be part of the preparation for a domestic IPO.

Reliance Retail reportedly wants to raise USD 2.5bn in total, a fraction of its last round, but potentially a sizeable chunk of a relatively slow year for private equity investment.

Reliance Industries contribution to India deal volume



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

- Carlyle, Trustar pursue partial exit, rollover of McDonald's China
- PE-backed Zhaogang to list via Hong Kong SPAC merger
- Japanese warehouse robot start-up raises $84m
- China's GTA Semiconductor raises $1.85b
- L Catterton enters Japan's veterinary services space
- Apollo continues to trim stake in Australia's Ventia
- Global Brain, Globis lead $93m round for Japan's Josys
- CICC leads $60m Series B for China's Grit Biotechnology
- IFM backs New Zealand energy SaaS platform Tally

FUNDS

- CP Group, LDA Capital launch $2b Southeast Asia fund
- India-US cross-border GP Pentathlon Ventures targets $55m
- India's Anicut hits $36m second close on VC fund
- Singapore student-run VC programme launches new fund

OTHER

- Australia's The Growth Fund expected to disband
- Innovation can end China's healthcare downcycle - AVCJ Forum
- CVC expands into infrastructure with DIF acquisition
- Investors bullish on China consumer - AVCJ Forum

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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