

# Venturers Venture On

*Technology entrepreneurs are perpetuating their achievements by backing the next generation of startups*



## Key Points

- Successful **technology entrepreneurs** are now actively **investing in startups** and have emerged as **key links** in Asia's venture capital ecosystem
- Since 2020 and up to 27<sup>th</sup> September, these chieftains of technology companies have attained a **notable profile in early/seed stage deals**. Of the US\$15.8 bn that represents 688 deals, this pool of achievers participated in –
  - **US\$673.2 m** worth of deals that accounts for **4.2%** of the total
  - **91 deals** or **13.2%**
- This new crop of investors in Asia's venture capital landscape have demonstrated a **approach in their investment of technology startups** –
  - in a broad range of industries
  - in assets located outside of their home base
  - in deal sizes largely within the range of US\$1 m to US\$40 m

Success breeds success. For a growing pool of Asian entrepreneurs who are chieftains of successful technology companies, they are endorsing such a principle by investing in startups either direct or through their own venture capital funds. This pool of **aspiring technology investors** has emerged as a **central link** in Asia's **venture capital ecosystem**.

Across Asia, no market is void of initiatives taken by successful entrepreneurs of technology companies to **perpetuate their achievements** or further their vision through investing in promising startups founded by the next **generation of venturers**.

According to **ASIA PE Data**, an **APER** database that tracks private equity/venture capital deal movements in the region, since 2020 and up to 27<sup>th</sup> September, there were 688 technology deals that represent US\$15.8 billion in deal value that fall under seed/early stage of investment. Of this, those that have enlisted technology entrepreneurs account for US\$673.2 million through 91 deals, suggesting their **notable presence** in Asia's venture capital landscape (Fig. 9).

If the phenomenal successes of the founders of some of Asia's technology companies, such as Messrs Scott Farquhar and Mike Cannon-Brookes of Australia's Atlassian Corp Plc, and Mr Kunal Shah, founder of Cred, can serve as a reference, then their active participation in startups can be interpreted as assurance that the Asian venture capital industry is set to enjoy further boom. ■

**Tech Deals Participated by Technology Entrepreneurs (2020 - 27<sup>th</sup> Sep 2021)**

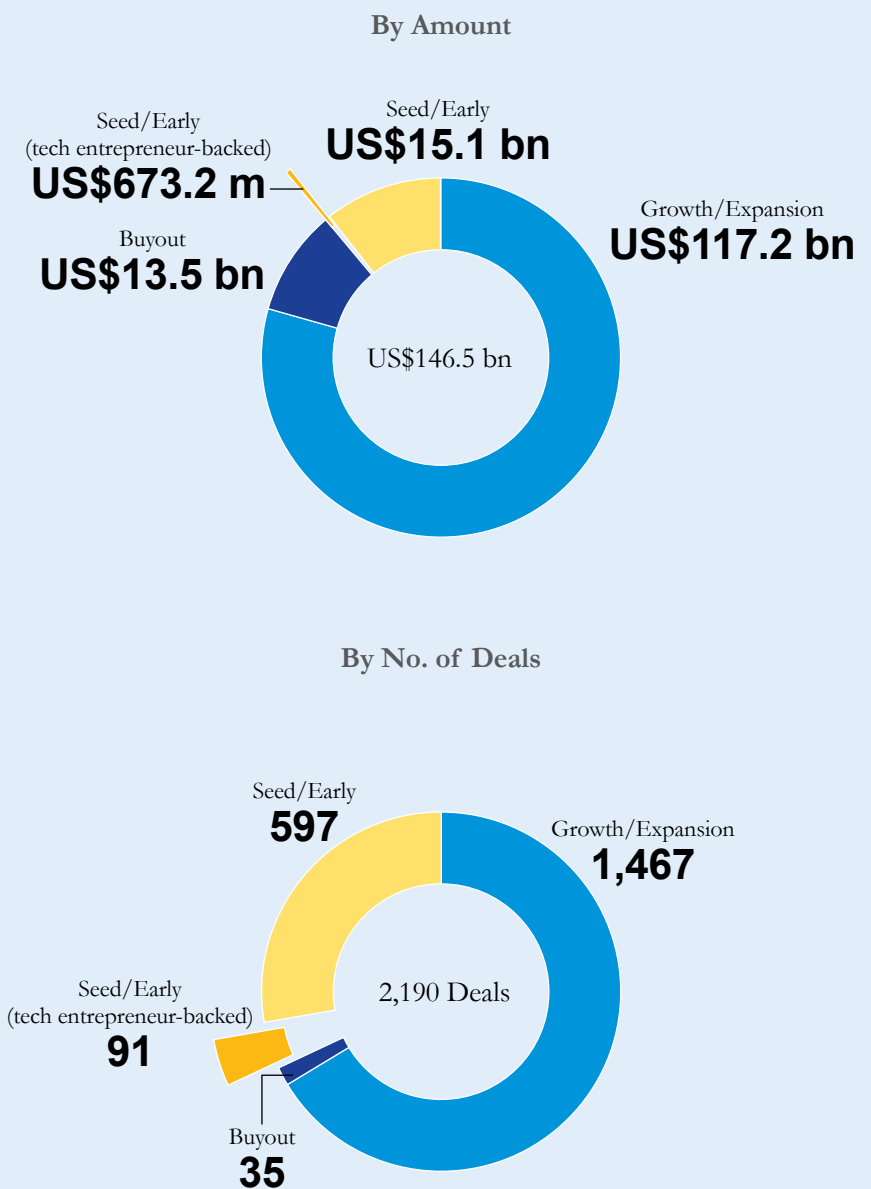


Fig. 9

Source: ASIA PRIVATE EQUITY REVIEW

## Sustaining the Venture Journeys (Australia)

## ATLASSIAN

### Atlassian Corp PLC

**Founder(s):**

- Mr Scott Farquhar
- Mr Mike Cannon-Brookes

**Background in Brief:**

- Backed by Accel, Atlassian is an Australian software company that develops products for software developers. In December 2015, it was listed in the US at an offer price of US\$21 per share. As of 24<sup>th</sup> Sep, Atlassian's share price closed at US\$413.94 apiece
- Both founders have respectively set up their own venture capital firms, at times jointly invest in deals, and at times separately

### Skip Capital

(launched by Mr Scott Farquhar)

Portfolio Company	Location	Deal Size
AirWallex	Australia	40
Safety Culture Pty Ltd	Australia	37.4
Harrison-AI Pty Ltd	Australia	20
Awilr	Australia	4.7
MOVUS Australia Pty Ltd	Australia	3.7

### Grok Ventures

(launched by Mr Mike Cannon-Brookes)

Portfolio Company	Location	Deal Size
Zoox Inc	USA	500
Rivva Pty Ltd	Australia	25.7
Sustenir Agriculture	Singapore	16
DGraph Labs Inc	USA	11.5
Soil Carbon Co.	Australia	6.9

## afterpay

### Afterpay Ltd

**Founder(s):**

- Mr Nick Molnar
- Mr Anthony Elsen

**Background in Brief:**

- Backed by Matrix Partners, Afterpay is a pioneer in the “buy now, pay later” payment business model. It was listed on the Australia Exchange Ltd in 2016. Afterpay made history in Asia's fintech industry when it agreed to be sold to the US-based Square Inc for US\$29 bn, gaining the title as the largest M&A in Australia
- In July 2019, Afterpay entered into a collaboration agreement with Touch Ventures, under which Afterpay may, in its absolute discretion, refer potential investment opportunities to Touch Ventures to evaluate their feasibility
- On 29<sup>th</sup> Sep 2021, Touch Ventures was listed on the Australian Securities Exchange after an A\$100 m (US\$72.8 m) IPO

### Touch Ventures

(Formerly Afterpay Ventures)

Portfolio Company	Location	Deal Size
Sendle	Australia	32.7
Happay	China	10
Basiq	Australia	7.7
Postpay	Dubai	10
Refundid	Australia	2.2

→ = private investing vehicle    → = corporate venture arm

All amounts in US\$ m

NB:

- portfolio companies listed are shown on a selective basis
- deal size represents the transaction value participated, including commitments from other co-investors

Compiled by: ASIA PRIVATE EQUITY REVIEW

## Sustaining the Venture Journeys (China)



## Dianping.com

## Founder(s):

- Mr ZHANG Tao

## Background in Brief:

- Dianping.com ('Dianping') was founded in Shanghai in April 2003 as the very first website worldwide providing independent consumer reviews on local services
- The company enlisted Sequoia Capital China, Qiming Venture Partners, Lightspeed Venture Partners, Trust Bridge Partners, GIC Pte Ltd and Temasek Holdings (Pte) Ltd as its private equity backers
- In November 2015, Dianping merged with Meituan.com and Mr Zhang subsequently resigned from the merged unit
- Mr Zhang is now a venture capitalist in China's investment market

## Personal Investment

Portfolio Company	Location	Deal Size
Z-Trip Business Management	China	30
CashShield	Singapore	25.5
U Jewelry	China	2.3

## Tencent 腾讯

## Tencent Holdings Ltd

## Co-Founder(s):

- Mr Jason Zeng

## Background in Brief:

- Mr Jason Zeng was one of the five co-founders of Tencent Holdings Ltd ('Tencent') in 1999. He left Tencent in 2007 and set up his own angel investment institution, Decent Capital. The latter mainly focuses on the Internet, wireless, interactive entertainment and other high-tech sectors

## Decent Capital

Portfolio Company	Location	Deal Size
Cider	China	9
Guangzhou Best Study Co Ltd	China	8
Fangdd Network Group Ltd	China	0.9
Chelun	China	N/A
Taomee Holdings Ltd	China	N/A

→ = private investing vehicle

All amounts in US\$ m

NB:

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Compiled by: ASIA PRIVATE EQUITY REVIEW

## Sustaining the Venture Journeys (India)



## Snapdeal Pvt Ltd

## Founder(s):

- Mr Kunal Bahl
- Mr Rohit Bansal

## Background in Brief:

- Snapdeal Pvt Ltd is India's one-stop e-commerce shopping site that counts Blackrock Inc, Temasek Holdings (Pte) Ltd, Nexus Venture Partners and Kalaari Capital among its long list of investors
- Snapdeal founders have been actively investing as angel investors in the startup ecosystem. In 2015, the duo incorporated Titan Capital, a venture capital fund that focuses on early stage companies in India and the US

## Titan Capital

Portfolio Company	Location	Deal Size
VeGrow	India	15.5
Nova Benefits	India	11
Yellow Class	India	7.3
Credgenics	India	6.5
Kyt Technologies	India	5



## Cred

(operated by Dreamplug Technologies Pvt Ltd)

## Founder(s):

- Mr Kunal Shah

## Background in Brief:

- Founded in 2018, Cred is a fintech startup that rewards customers for paying their credit card bills. Since inception, Cred has raised more than US\$500 m from investors including DST Global, Ribbit Capital and Tiger Global Management, valuing the company at US\$2.2 bn in the latest funding round
- Mr Shah has been a keen venture capitalist in the Indian market, participating in a variety of tech deals

## Personal Investment

Portfolio Company	Location	Deal Size
Mensa Brand Technologies Pvt Ltd	India	50
Plum Benefits Pvt Ltd	India	15.6
Zolve	India	15
epiFi Technologies Pvt Ltd	India	13.2
Cure Foods Pvt Ltd	India	13

→ = private investing vehicle

All amounts in US\$ m

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## Sustaining the Venture Journeys (Southeast Asia)



## GoTo Group → Go-Ventures

(PT Aplikasi Karya Anak Bangsa)

### Founder(s):

- Mr Nadiem Makarim
  - Mr Kevin Aluwi
- (both have since stepped down)

### Background in Brief:

- Currently co-managed by Messrs Andre Solistyo and Kevin Aluwi, GoTo Group is a leading car-hailing app company in Indonesia. It counts global firms including KKR and Warburg Pincus as among its earliest investors
- GoTo Group was formed in 2021 after the merger between Go-Jek and PT Tokopedia. The merged entity, which commands US\$18 bn in valuation, is the largest tech company in Indonesia
- Prior to the merger, Go-Jek launched its venture investment unit, Go-Ventures, which has been one of the most active corporate venture investors in startups in Southeast Asia

Portfolio Company	Location	Deal Size
Mobile Premier League	India	220.5
HaloDoc	Indonesia	78
PT Pasarpolis Indonesia	Indonesia	60.5
Pluang	Indonesia	58
eFishery Technoplex	Indonesia	21



## Grab Holdings Ltd → Grab Ventures

### Founder(s):

- Mr Anthony Tan
- Ms Tan Hooi Ling

### Background in Brief:

- Grab is a leading car-hailing app company in Southeast Asia. It is considered to be the main rival of GoTo Group, and is backed by a marquee list of investors including SoftBank Vision Fund, GGV Capital, STIC Investments, MUFG Innovation Partners and others
- In 2021, Grab entered into a merger agreement with the Nasdaq-listed SPAC, Altimeter Growth Corp. When completed, Grab's valuation will be propelled to US\$39.6 bn
- Back in 2018, Grab launched its venture investment unit, Grab Ventures, as part of its 'Grab 4 Indonesia' 2020 Master Plan to support Indonesia's goal to be Southeast Asia's largest digital economy by 2020. At inception, Grab committed 3 tn rupiah (US\$250 m) to Grab Ventures as capital for the latter to invest in Indonesian startups

Portfolio Company	Location	Deal Size
HappyFresh	Indonesia	20
KliknClean	Indonesia	N/A
Printerous	Indonesia	N/A
Workmate	Singapore	N/A
Luna POS	Indonesia	N/A

→ = corporate venture arm

All amounts in US\$ m

NB:

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Sustaining the Venture Journeys (Southeast Asia) (cont'd)



**Razer Inc** → **zVentures**

(formerly based in Singapore, now relocated to US)

**Founder(s):**

- Mr Tan Min-Liang
- Mr Robert Krakoff

**Background in Brief:**

- Razer Inc is a Singaporean-American multinational technology company that counts Heliconia Capital Management and Intel Capital as among its pedigree list of investors. In September 2016, Razer Inc launched its venture investment arm, zVentures, and has been actively invested in a pool of startups that are engaged in various industries

Portfolio Company	Location	Deal Size
Animoca Brands	China	50
Celcius Holdings Inc	USA	15
Ratio	Singapore	10
Loupedeck	Finland	2.4
Revery	USA	2

→ = corporate venture arm

All amounts in US\$ m

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**APER DataBank - PE Data**



**PE Data** consists of -

- Fund
- Investment
- Divestment

It covers data dating back to 2011. Similar to all products in **APER DataBank**, the **PE Data** is a vault of accurate data researched by a team of experienced researchers in the Asian private equity industry. It is another tool that investment professionals can rely on in making astute decisions on fund allocations, deal strategies as well as on choices of exits.

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