Southeast Asia Exit Landscape
A NEW FRONTIER
Our Motivation

Southeast Asia (SEA) has a young and vibrant technology startup ecosystem. An ecosystem that is maturing at a rapid pace with capital increasingly allocated to up and coming tech startups.

With the rise of unicorns, foreign venture capital and corporates, Golden Gate Ventures in partnership with INSEAD felt it was time to revisit earlier research (The Bamboo Report, Q3 2015*) relating to the exit landscape.

In the analysis we're taking a deeper look at the historical exits (strategic acquisitions, IPOs and trade sales) and make a forecast of potential exits for the next 6 years.

Table of Contents

Overview
Overview is a high level summary of the report and talks briefly about the methodology to come to the number of exits.
1. Executive summary
2. Methodology

Perspectives
Perspectives gives an in-depth view of historical acquisitions, the general partner survey and funding dynamics in Southeast Asia.
1. Perspectives from the field
2. Key Exit Drivers
3. INSEAD Survey
4. Recent development & Trends

Predictions
Predictions puts together historical data and assumptions on the funding landscape to come to an assessment of the exit landscape between 2020 and 2025.
1. Exits
2. Methodology & Results
3. Conclusion
Overview
We re-looked our previous predictions (Bamboo Report, Q3 2015) and found them to be generally in line (albeit slightly too conservative) with the actual exits between 2016-2018.

With many recent developments in the past few years, such as the 2017 IPO of Sea Group on NYSE, Grab’s acquisition of Uber SEA in 2018, and the emergence of at least 6 new SEA unicorns since 2015, we decided to re-evaluate the SEA exit landscape, conduct a survey in collaboration with INSEAD to gauge General Partners’ (GP) sentiments, and develop a new forecast.

In this new forecast, we decided to employ a new methodology, leveraging past Southeast Asia (SEA) exit data, as well as inputs from global benchmarks and results from INSEAD’s survey. **We are estimating at least 700 anticipated startup exits between 2023-2025**, and this is inline with the overall optimism that other GPs have according to the survey.

Among major drivers of future exits include: Unicorns becoming acquirer (example of Go-Jek* acquiring 7 other startups in SEA between 2017 - YTD 2019), growing Corporate VCs investment (Toyota’s 1 billion investment into Grab was 2018’s largest CVC deal, globally), growing global PEs participation (highlighted by Warburg Pincus’s USD$4+ billion dedicated fund for SEA and China), and initiatives by various stock exchanges to support more startup listings sparked and inspired by Sea Group’s IPO, and Razer’s IPO in 2017.

*Disclaimer: Golden Gate Ventures is a shareholder in Go-Jek*
Forecast

We foresee 700+ exits between 2023-2025

Our predictions: Number of exits by type

Methodology

1. Probability of Exit
2. Time to exit
3. Historical & Forecast Funding
4. Forecast Future Exit
5. Forecast Exit Split (Acquisitions, IPO, Secondaries)

Overall Trends

- In a maturing ecosystem most exits are driven by regional tech giants and not Chinese based tech-enabled corporates.
- Secondaries will become a bigger trend post 2022.
- Large increase in exits after 2022 due to end of fund life for early venture funds.
- Influx of fresh capital will help validate more business models and push more companies towards growth and pre-IPO stage.
Perspectives
We are very optimistic that Southeast Asia will maintain its strong exit momentum

"Pipeline to exit has emerged clearly in the region by now. The first stage involving smaller acquisitions is - everywhere - as we all have seen. The second stage, the rollup of local startups into a consolidated, significant regional player, is picking up, with regional tech giants leading the pack with over 28 acquisitions made since 2014. It’s interesting to see how the third stage, the exit of regional entity itself (other than the Sea Group IPO and Lazada), will spring out in the coming years."

Justin Hall, Partner Golden Gate Ventures

"We are very optimistic of the SEA startups exit trend going forward. And this has been confirmed by various global GPs surveyed by INSEAD (in collaboration with Golden Gate Ventures). In fact, a quarter of them have exceedingly favorable view, citing US/China instability as another major factor driving investments into Southeast Asian startups. More global investors, like Warburg Pincus (which has recently announced a fund dedicated to SEA and China) are looking closely at the region. The increase in capital will lead to more startups being able to expand across SEA and prove their long term sustainability. This will make them attractive acquisition targets in the long term."

Michael Lints, Partner Golden Gate Ventures
“There is certainly no better time to be an entrepreneur in the thriving entrepreneurial ecosystem of Southeast Asia. Investors in Europe and the US are looking to increase their exposure to the funds in this region and those imminent exits will only increase their commitment. The growing interest of corporates in the startup space is certainly a development to watch; they may offer an additional exit avenue or fill funding gaps in certain countries.”

Claudia Zeisberger, Professor of Entrepreneurship & Family Enterprise at INSEAD
Perspectives from stock exchanges regarding the Southeast Asian landscape

Tech startups can count on continued support from the stock exchanges to raise funds

“SGX’s suite of capital raising options allow companies to raise funds through equity and bond listings, and caters to the needs of companies at different stages of growth. SGX’s partnerships and network, including our collaboration with Nasdaq, allow startups to tap the capital market in Singapore and globally, creating a platform of new opportunities to support their growth ambitions.

Founders can benefit from Singapore’s stable, well-regulated and transparent business environment, as well as international connectivity, to focus on scaling and building their venture.”

Chew Sutat, Senior Managing Director, Head of Global Sales and Origination at SGX
Key Exit Drivers

Increasing number of regional tech giants.

Regional tech companies are increasingly acquiring companies to expand their market reach or product range (100% CAGR between 2015 - 2018).

Increase of liquidity across various stages of venture.

Southeast Asia has seen an increasing number of local and regional VC funds. VC investment increased in 2018 with 311 announced deals, valued at US$5.2b, compared to 230 announced deals worth US$4.1b in 2017*.

Continued support from regional and global stock exchanges.

The region hasn't seen many IPOs to date. With the increase of capital and validation of the market Southeast Asia will see more companies ripe for an IPO.

First cohort of institutional venture funds are at the end of their fund life. The first cohort will exit their portfolio in the next 2 years.

2010 - 2012 saw the first cohort of institutional venture funds that invested in Southeast Asia tech startups. These funds in general will get to the end of their fund life from 2020. The general partners for these funds will drive exits before closing the fund. This means a significant increase in M&A transactions, secondaries, and acqui’hires. Venture funds raised after 2014 will start driving exits from 2022 onwards, etc. Coming to the end of a fund life will be the first time in Southeast Asia and a key factor in the number of exits.

*Sources: EY
Survey Results | Rating the future outlook

Perspectives from Golden Gate Ventures-INSEAD’s survey on SEA exit outlook

QUESTION ONE

How would you rate the future exit outlook, next 3 to 5 years, out of a scale 0-10?

[0 = “Much more negative”, 5 = “Maintaining similar outlook”, 10 = “Much brighter outlook”]

Scale

Negative

Maintained outlook

Positive

10% 25% 40% 25%

0 3 5 7 10

Majority of respondents

Few new positive catalysts but serious risk of global down-turn and/or VC bubble burst.

Few significant changes related to emergence of larger strategic players, funds, industry & startups maturing.

US/China instability to drive investment to SEA, which is among regions with largest online populations; somewhat lower competition.
**Survey Results**  | Factors affecting the landscape

Perspectives from Golden Gate Ventures-INSEAD's survey on SEA exit outlook

**QUESTION TWO**

What do you think are the **most important factors affecting the exit landscape?**

### Liquidity/Funding

**[+]** More dry powder; Larger funds, & strategic players; High valuations make exit attractive.

**[-]** Too much funding, VC investments price correction.

### Activities

**[+]** Unicorns becoming acquirers; Late-stage doing secondary sales; More inorganic growth; Emergence of regional consolidators.

### Macro

**[+]** SEA's GDP growth.

**[-]** China's slow down.

### Startups; Enablers

**[+]** Many startups maturing, thinking about IPOs; initiatives by exchanges.

**[-]** Weak governance/operations and structures.

### Misc.

**[-]** Growing competition; Stock markets don’t understand VC investments.

SEA's GDP growth.
**Survey Results**

**Economic cycles**

Perspectives from Golden Gate Ventures-INSEAD’s survey on SEA exit outlook

**QUESTION THREE**

SEA startups have only been enjoying the expanding econ. cycle so far, how do you think startups and other players in the ecosystem are prepared for a possible downturn?

**NOT PREPARED**

- Low revenue, zero/low profits.
- Founders/managements have no experience or are not incentivized to believe there’ll be downturn.
- Proper contingency plans required otherwise will suffer from lower growth and high burn rate.

- **54%**

**SHOULD BE OKAY**

- Would be able to cope much better than rest of world due to ability to reduce costs.
- VC/PE as asset class is generally counter cyclical; startups may weather downturns better than listed companies.

- **29%**

**NO DOWNTURN**

- **17%**
Recent Dev. & Trends

Recent positive trends set to propel more exits

Key themes affecting the landscape

Unicorns becoming acquirers

Growing Corporate VC investments

Growing Global PEs participation

Initiatives & supports from stock exchanges

Largest acquisition made by SEA unicorns in 2019 is Singapore headquartered Trax* acquiring Shopkick (for $200 m)

California-based rewards app, to merge data from its in-store shelf tracking service with Shopkick’s shopper data.

One of the largest CVC-backed investment in 2018 took place in SEA: Toyota invested $1 bn ("largest-ever investment globally by an automotive manufacturer") into Grab’s Series H financing round, alongside Yamaha, Hyundai, Microsoft, and many others.

Global PEs are looking further into the region as apparent by emergence of SEA-dedicated funds, such as by Warburg Pincus. "Southeast Asia is exhibiting many of the strong investment themes and trends which have driven our China business over the last 25 years."

Several initiatives by regional and international stock exchanges are poised to accommodate further listings of Southeast Asian startups.

*Disclaimer: Trax also services markets outside SEA
Recent Dev. & Trends  |  SEA unicorns have emerged as major exit drivers

Key themes affecting the landscape

- Recent acquisitions spree made by SEA unicorns particularly Gojek and Trax highlights how unicorns have emerged as potentially the biggest drivers of exits in the region, as suggested by Nikkei Asian Review in its June 2019 article.

- Virtually all SEA unicorns have made at least one acquisition.

- As shown in the table, several unicorns including Traveloka, Razer, and Trax went on acquisitions spree as they achieved unicorns status. Gojek, however, embarked upon its acquisition journey even a couple years before they became unicorn.

<table>
<thead>
<tr>
<th>Unicorn</th>
<th>Year Became Unicorn</th>
<th>No. of acquisitions</th>
<th>Acquisitions (year)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Go-Jek</td>
<td>2018</td>
<td>11</td>
<td>AirCTO ('19), Coins.ph ('19), Promogo ('18), Pianta ('16), Midtrans ('17), PT Ruma ('17), C42 ('16), MVCommerce ('16), Leftshift Tech ('16), Kartuku ('17), LOKET ('17)</td>
</tr>
<tr>
<td>Trax</td>
<td>2019</td>
<td>4</td>
<td>Planorama ('19), Shopkick ('19), LenzTech ('19), Quri ('18)</td>
</tr>
<tr>
<td>Razer</td>
<td>2015</td>
<td>4</td>
<td>OUYA ('15), MOL ('18), THX ('16), Nextbit ('17)</td>
</tr>
<tr>
<td>Traveloka</td>
<td>2017</td>
<td>3</td>
<td>Mytour ('18), Pegipegi ('18), Travel Book ('18)</td>
</tr>
<tr>
<td>Grab</td>
<td>2018</td>
<td>2</td>
<td>Kudo ('17), iKaaz ('18)</td>
</tr>
<tr>
<td>Sea</td>
<td>2015</td>
<td>1</td>
<td>Foody ('17)</td>
</tr>
<tr>
<td>Tokopedia</td>
<td>2018</td>
<td>1</td>
<td>Bridestory ('19)</td>
</tr>
<tr>
<td>Bukalapak</td>
<td>2017</td>
<td>1</td>
<td>Prelo ('18)</td>
</tr>
<tr>
<td>Lazada</td>
<td>2014</td>
<td>1</td>
<td>RedMart ('16)</td>
</tr>
</tbody>
</table>
Recent Dev. & Trends

Key themes affecting the landscape

Total of 28 startup acquisitions by the 9 SEA unicorns to date. Annual growth rate for acquisitions is 100% over the period of 2014-2019.

More acquisitions are expected in the coming years as more unicorns will emerge (recent examples are Grab, Gojek, Tokopedia, and Trax in 2018-2019).

Sources: Crunchbase Pro (accessed August 2019)
Key themes affecting the landscape

**SEA-based CVCs**

- Singapore
- Thailand
- Indonesia
- Malaysia
- Philippines

**International CVCs**

- Rakuten
- Naspers
- Hubert Burda Media

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**Total no. of CVCs in SEA**

- (cumulative)

<table>
<thead>
<tr>
<th>Year</th>
<th>CVCs</th>
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<tr>
<td>2010</td>
<td>7</td>
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<tr>
<td>2011</td>
<td>9</td>
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<td>2012</td>
<td>12</td>
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<td>2014</td>
<td>31</td>
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<td>2015</td>
<td>41</td>
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<tr>
<td>2016</td>
<td>37</td>
</tr>
<tr>
<td>2017</td>
<td>57</td>
</tr>
<tr>
<td>2018</td>
<td>32</td>
</tr>
</tbody>
</table>

- > 5x over 8 years

**No. of investment made by SEA CVCs**

- (per year)

<table>
<thead>
<tr>
<th>Year</th>
<th>Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
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<tr>
<td>2011</td>
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<td>2012</td>
<td>8</td>
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<td>2013</td>
<td>16</td>
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<td>2014</td>
<td>21</td>
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<td>2015</td>
<td>26</td>
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<td>2016</td>
<td>52</td>
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<tr>
<td>2017</td>
<td>45</td>
</tr>
<tr>
<td>2018</td>
<td>50</td>
</tr>
</tbody>
</table>

- 63% CAGR ('10-'18)

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Most CVCs in SEA belong to traditional, family-run businesses / conglomerates / banks (e.g., SPH Media, MDI, Far East) rather than part of digital companies (like Tencent, Alibaba, Google) in China and USA.

“Entering the digital space is inevitable for corporate firms,” Willson Cuaca, founder and managing director of an independent venture capital firm, East Ventures, points out in KrAsia [https://kr-asia.com/the-corporates-are-here].

“However, let’s put CVCs into two categories: those that belong to traditional businesses such as family-run businesses, conglomerates, and telcos and those that are part of digital companies like Tencent, Alibaba, Google, and Microsoft. The majority of CVC firms in Southeast Asia belong to the former and I believe they have been beneficial to the overall startup ecosystem here.”

As no. of CVCs grows remarkably over past decade, CVC investments hit 50 in 2016, registering over 60% CAGR.

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**Sources:** Crunchbase Pro (accessed August 2019)

**Note 1:** List of CVCs from Crunchbase (according to their definition)
Recent Dev. & Trends

More participation of global PE firms

Key themes affecting the landscape

- Not only instances of mega funds (USD$500M+) emerging in SEA to cater to a flourishing ecosystem of founders and startups, we are also seeing emergence of more institutional funds from North Asia. On top of Chinese tech giants like Tencent and Alibaba, we are now seeing Korean (e.g., Hyundai, GS Shop) and Japanese (e.g., DCM) institutions placing greater emphasis on investment in the region.

- Global players such as Warburg Pincus also recently announced new $4.25 billion fund dedicated to Southeast Asia and China.

Global PE with SEA investments

No. of investments made in SEA by global PE funds (per year)

“SEA is exhibiting many of the strong investment themes and trends which have driven our China business over the last 25 years.”

- Jeff Perlman, Managing Director of Warburg Pincus LLC

Source: Crunchbase Pro (accessed August 2019)
Recent Dev. & Trends | More support from various stock exchanges

Key themes affecting the landscape

United States

NASDAQ has established collaborative listings agreement with SGX to help build a funding pathway where startups can first list & raise capital on SGX before listing on NASDAQ (to attract more interests from institutional investors)

The IPO of Sea Group on NYSE in 2017 has set a precedent that leads to more SEA startups aspiring to list in the West, cementing the U.S. exchanges as an alternative to the Australian or other SEA exchanges

Indonesia

Indonesia's stock exchange (IDX) announced plans to launch a dedicated technology section in 2019 to host IPOs by startups

It has been working with financial regulator Otoritas Jasa Keuangan (OJK) to amend IPO rules, which currently require companies to be profitable within two years of listing. “With this new technology board (and change in regulations), startups, including Go-Jek, will be able to list at IDX because they will have up to 6 years after listing to become profitable,” according to press release by IDX director Nyoman Yetna Setia

Singapore

SGX’s Catalist Platform is supportive of the listing of technology startups - the rules are designed to facilitate inorganic growth/acquisitive strategies by startups as they expand, with only a public float requirement of 15% (vs. 25% in any other growth boards)

To expand its suite of funding options, SGX also has invested into 1X - the first and only regulated private securities exchange in Singapore

Singapore Exchange (SGX) introduced rules that make possible the listing of companies with dual class shares (DCS) structures as Singapore gears up for the New Economy. “SGX today joins global exchanges in Canada, Europe and the US where companies led by founder entrepreneurs who require funding for a rapid ramp-up of the business while retaining the ability to execute on a long-term strategy, are able to list. Investors who understand and agree with the business model and management of DCS companies will also have more choice.

Other stock exchanges are: Japan (Mothers Board), Hong Kong and Australia (ASX).
Predictions
Our previous predictions for 2016-2017 were slightly conservative compared to actual results.

Note: We applied a 15% haircut on the number of exits from Crunchbase as, when looking closely, we found Crunchbase to actually have included 10-15% non-tech deals within the period.

Sources: Golden Gate Ventures analysis, Crunchbase
Conclusion

An increase in available venture capital funding, will lead to more companies reaching the growth stage (with proven business models and scalability) and becoming acquisition targets for MNCs, tech corporates and private equity funds. The increase in late stage funding from PE funds (30%) and CVCs (63%) will prove crucial for a viable exit landscape.

A word of caution. The report doesn’t conclude if historical exits have showed good returns for VC funds and their limited partners. The current outlook for the ecosystem warrants reinvestments but the exits from the first cohort still need to happen at a large scale.

Regional and US stock exchanges remain positive about listing technology startups in the coming years. Institutional investors will need education about the Southeast Asian potential.

Golden Gate Ventures foresees M&A, trade sales and secondary sales as the major driver for exits in Southeast Asia. Currently, strongest acquirers are local and regional tech giants as supposed to Chinese or global tech firms.

Regional tech giants will continue to acquire startups to strengthen their platforms and extend their market reach.
Predictions

We used a different approach in this new forecast:

Methodology

**STEP 1**

**Probability of Exit**
We look at global benchmarks and determine appropriate probability for existing SEA startups

**STEP 2**

**Time to Exit**
We use data from Crunchbase to estimate SEA’s average time to exit from different stages of startup

**STEP 3**

**Historical & Forecast Funding**
We look at SEA’s previous funding trend and forecast future funding for 2019-2023, using previous CAGR

**STEP 4**

**Forecast Future Exits**
We apply probability of exit, in phases, according to avg. time to exit - to our forecasted no. of startups receiving funding in 2019-2023

**STEP 5**

**Forecast Exit Split (M&A, IPO, 2ndary)**
We apply our assumption on exit split based on surveys conducted by INSEAD
Predictions

We looked at global benchmarks for probability of reaching successful exits and applied to Southeast Asia

Step 1: Probability of Exit

Global (USA & EU) benchmarks

Probability of startups reaching successful exits based on different surveys conducted are:

<table>
<thead>
<tr>
<th>Stage</th>
<th>Radicle</th>
<th>dealroom.co</th>
<th>crunchbase news</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seed</td>
<td>3%</td>
<td>7%</td>
<td>9%</td>
</tr>
<tr>
<td>Series A</td>
<td>11%</td>
<td>12%</td>
<td>12%</td>
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<tr>
<td>Series B</td>
<td>16%</td>
<td>18%</td>
<td>14%</td>
</tr>
<tr>
<td>Series C</td>
<td>19%</td>
<td>22%</td>
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</tr>
<tr>
<td>Series D</td>
<td>22%</td>
<td>29%</td>
<td>16%</td>
</tr>
</tbody>
</table>

Global (USA & EU) benchmarks

We asked ~10 GPs if they think the global benchmarks potentially reflect the exit chances for startups in Southeast Asia

~65% of respondents believe the probability can be somewhat applied to startups in Southeast Asia

Split view (about half-half) on whether the probability should be adjusted slightly upward or downward when applying to Southeast Asian startups

Therefore, we assumed no adjustment needed

Adjustments for SEA

Based on our proprietary data we have been tracking for over 7 years and the survey results, we made the following assumptions:

Seed - 10%
Angel - 10%
Series A - 15%
Series B - 18%
Series C - 22%
Series D - 30%
Predictions

We looked at 80+ past SEA exits to determine average time it took from latest stage of funding

Step 2: Time to Exit

CrunchBase’s exhaustive list of past SEA exits

Avg. number of years to exit, from different latest funding stage

Exit data from Crunchbase, exhaustive (all cats). *all SEA (HQ)-based startups that have exited from Seed, A, B, C, D, E, F, G, H stages

<table>
<thead>
<tr>
<th>No.</th>
<th>Average (across stage)</th>
<th>Seed; number</th>
<th>Seed; time</th>
<th>Series A; number</th>
<th>Series A; time</th>
<th>Series B; number</th>
<th>Series B; time</th>
<th>Series C+; number</th>
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<td>2.2</td>
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<td>45</td>
<td>7</td>
<td>3-4</td>
<td>7</td>
<td>3-4</td>
<td>11</td>
<td>2-3</td>
</tr>
</tbody>
</table>

Our Assumptions

We initially wanted to use average time “by category”, but the data from Crunchbase unfortunately does not map out.

Therefore, we decided to use “7 years” as avg. exit time from seed stage, across categories, and “3-4 years” from Series B+.
We forecasted funding based on past CAGR and predicted no. of exits based on probability & time

Step 3: Forecast

Our Forecast

We used past CAGR (‘15-‘18) to estimate number of startups potentially funded between 2019-2023

We then applied appropriate probability of exit to the estimated number of startups in each stage, each year corresponding to the time lag (number of years to exit) as highlighted in different colors

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Sanity Check

We compared our results with our previous forecast (“Asia Bamboo Report II”) and a ‘straightforward forecast’ based on previous exits CAGR between 2009-2018.

Our new forecast is found to be very conservative.
Predictions

We looked at 80+ past SEA exits to determine average time it took from latest stage of funding

Step 4: Forecast future exits

Previous exits trend, by type

Number of Successful Exits, split between Acquisition & IPO

Views on future exit split

We asked ~10 GPs if they think the exit split currently about 95% M&A: 5% IPO would remain the same or evolve in certain direction

GPs expect the split to be roughly: 70-95% for M&A, 5-25% for secondary, and 1-5% or more for IPO

For IPO:

~37.5% of respondents believe IPO% would remain roughly the same

~37.5% believe IPO% would be lower (can potentially drop to as little as 1%)

~25% believe IPO% would be higher

For Acquisition:

Split view on whether proportion of strategic M&A or secondary acquisition would be higher

Sources: Crunchbase Pro (accessed August 2019)
Step 5: Actual and forecasted exits by type

Predictions

Results

Sanity Check

Makes sense vs. China’s ~10x number (7,500+) - see Appendix.

Our analysis yields a conservative baseline forecast of about:

- 120+ acquisition and close to 10 IPO exits in 2019.
- Total of ~300+ acquisitions and ~15 IPO exits between 2020 and 2022.
- Total of ~600 acquisitions and ~20 IPO exits between 2023-2025.

Thus, we expect to see at least 900+ exits for the next 6 years.

This is a slight ‘markdown’ from our previous prediction of 250 exits in 2020 alone.
Predictions

Looking at past data by vertical, we expect to see 50% of the exits respectively in SaaS & E-commerce

Results (by vertical)

Past Exits

We looked at Crunchbase’s data on 80+ previous exits in SEA (all that was found from each latest funding stage), and found the breakdown by verticals to be:

- 28% E-commerce
- 19% SaaS/Enterprise
- 19% Others
- 16% Leisure/Entertainment/Social media
- 10% FinTech
- 5% Manufacturing/D2C
- 4% Healthcare

Our Forecast:

Est. of Potential Exits by Vertical

- SaaS/Enterprise
- E-commerce
- Leisure / Entmt / Social Media
- FinTech
- Manufacturing / D2C
- Healthcare
- Others

Our View & Justifications

For the period 2020-2025, we expect to see higher % of SaaS/Enterprise and FinTech, and potentially slightly lower % for E-commerce as marketplace as a business model seems to be losing its previous momentum.

Assuming:
- 25% E-commerce
- 25% SaaS / Enterprise
- 15% Leisure / Entmt / Social Media
- 15% FinTech
- 5% MFG / D2C
- 5% Healthcare
- 10% Others

Sources: Crunchbase Pro (accessed August 2019)
Appendix
Secondary acquisitions were on average around 1,500 between 2015-2018, assuming they contribute at most 20% of total exit, the number of exits would be 7,500+.

The graph shows venture capital exits in China from 2008 to 2018. In 2018, 1,050 venture capital investments in China were exited. Venture capital, also called risk capital, is defined as a temporary equity investment in young, innovative, non-listed companies that tend to stand out despite a lack of earning power but nevertheless with an above-average growth potential.
Overview Golden Gate Ventures

The Firm
- Established 2011, first investment in 2012
- Offices in Singapore, Malaysia, and Indonesia
- Team of 18 with 8 investment professionals
- Raised three Asian VC funds, with over US$200M total assets under management
- Named Top 5 VC in SEA by KPMG, and third most active from by CB Insights

Historical Performance*
- Portfolio companies raised over US$600M
- Investment focus in all the major Southeast Asian markets, with a focus on mobile.
- 45+ investments across 8 countries
- Over US$5B+ total valuation by portfolio
- Respective IRRs of >20% for Fund I and Fund II

Limited Partners

By Industry
- Media & Entertainment
- FinTech & InsurTech
- Healthcare
- Logistics
- Marketplace & E-Commerce
- SaaS

By Geography
- Singapore
- Indonesia
- Thailand
- Vietnam
- Malaysia
- Philippines
- Hong Kong
- Taiwan
- South. Korea

Notable Investments

* Total portfolio valuation and funds raised is based on latest follow rounds of portfolio companies. IRR calculation is based on unrealized returns (2012 - YTD 2019)
About INSEAD

As one of the world’s leading and largest graduate business schools, INSEAD brings together people, cultures and ideas to develop responsible leaders who transform business and society. Our research, teaching and partnerships reflect this global perspective and cultural diversity.

With campuses in Europe (France), Asia (Singapore) and the Middle East (Abu Dhabi), INSEAD’s business education and research spans three continents. Our 155 renowned Faculty members from 40 countries inspire more than 1,300 degree participants annually in our MBA, Executive MBA, Specialised Master’s degrees (Master in Finance, Executive Master in Change) and PhD programmes. In addition, more than 12,000 executives participate in INSEAD Executive Education programmes each year.

INSEAD continues to conduct cutting-edge research and innovate across all our programmes. We provide business leaders with the knowledge and awareness to operate anywhere. These core values drive academic excellence and serve the global community as The Business School for the World.

About GPEI

The Global Private Equity Initiative (GPEI) drives teaching, research and events in the field of private equity and related alternative investments at INSEAD.

It was launched in 2009 to combine the rigour and reach of the school’s research capabilities with the talents of global professionals in the private equity industry. The GPEI aims to enhance the productivity of the capital deployed in this asset class and focuses attention on newer areas shaping the industry such as impact investing and operational value creation, and specific groups of LPs like family offices and sovereign wealth funds.
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Southeast Asia Exit Landscape
A New Frontier

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