



**CHARTING THE
SOUTHEAST ASIAN
STARTUP ECOSYSTEM**

Ivan Chang
Trustee, Chang Family Foundation

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**CHANG FAMILY
FOUNDATION**

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SAFE HARBOUR STATEMENT

This presentation contains certain statements that may be deemed “forward-looking statements”. All statements that address activities, events or developments that the Company intends, expects, plans, projects, believes or anticipates will or may occur in the future are forward-looking statements. Examples of forward-looking statements include, but are not limited to, statements the Foundation makes regarding general economic conditions, spending by economies, the outlook for the startup ecosystem, improvements related to capacity utilisation, the recovery, if any, of the Foundation end markets, and the potential effect of the refinancing on the Foundation’s operations, and the impact of these factors on the Foundation’s businesses. Forward-looking statements are based on certain assumptions and assessments made by the Foundation in light of its experience and perception of historical trends, current conditions and expected future developments. Actual results and the timing of events may differ materially from those contemplated by the forward-looking statements due to a number of factors, including regional, national or global political, economic, business, competitive, market and regulatory conditions.

AGENDA

1. Overview of Southeast Asia Startup Ecosystem
2. Methods of Investing into Startups
3. Maximising the Alpha in Startup Investment



The licorice root is a herb native to Southeast Asia but more beloved in the West than Asia.

1

Overview of Southeast Asia

Startup Ecosystem

Southeast Asia accounts for 8.6% of the World's Population



Young Population Distribution



Rising Middle Income Bracket (ex-Singapore)



Addition of 211m into middle income in the last 15 years

Stabilising Social Economics Factors

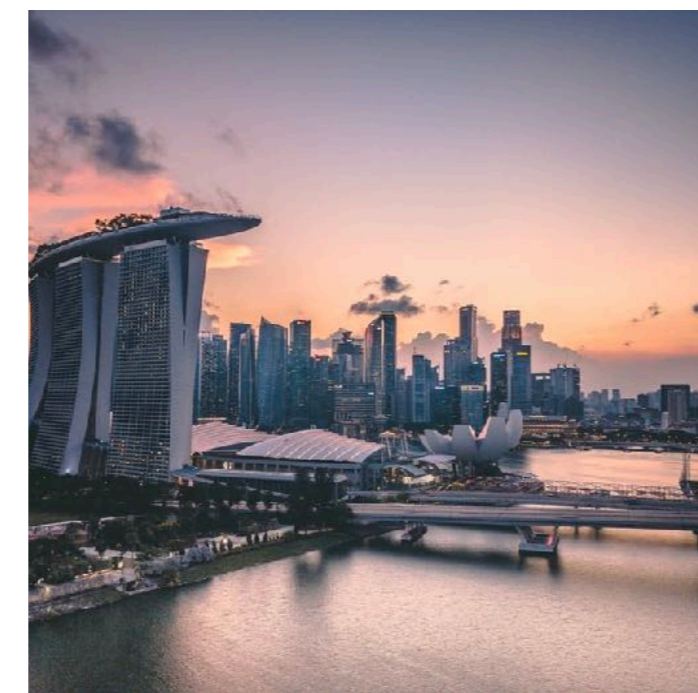


Ease of Doing Business
Real Inflation
Currency Fluctuations

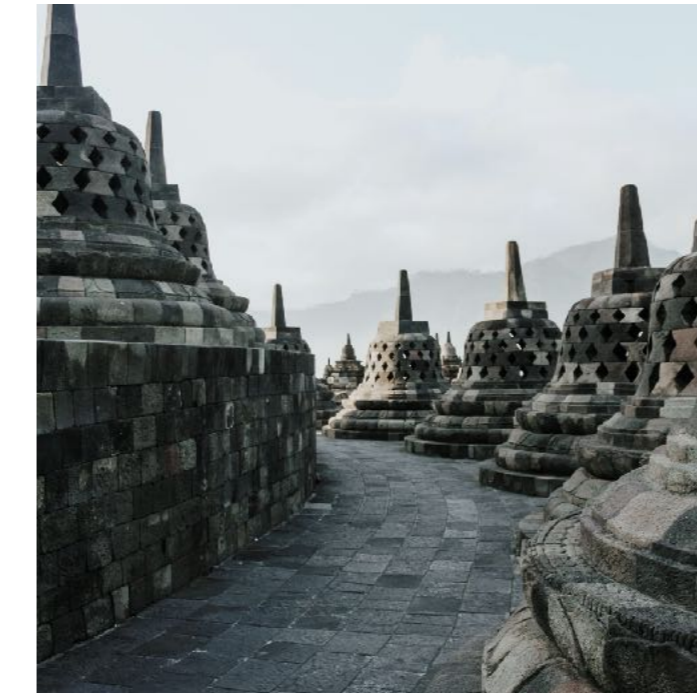
A Rising Tide Lifts All Boats



REGIONAL



SINGAPORE



INDONESIA



tokopedia

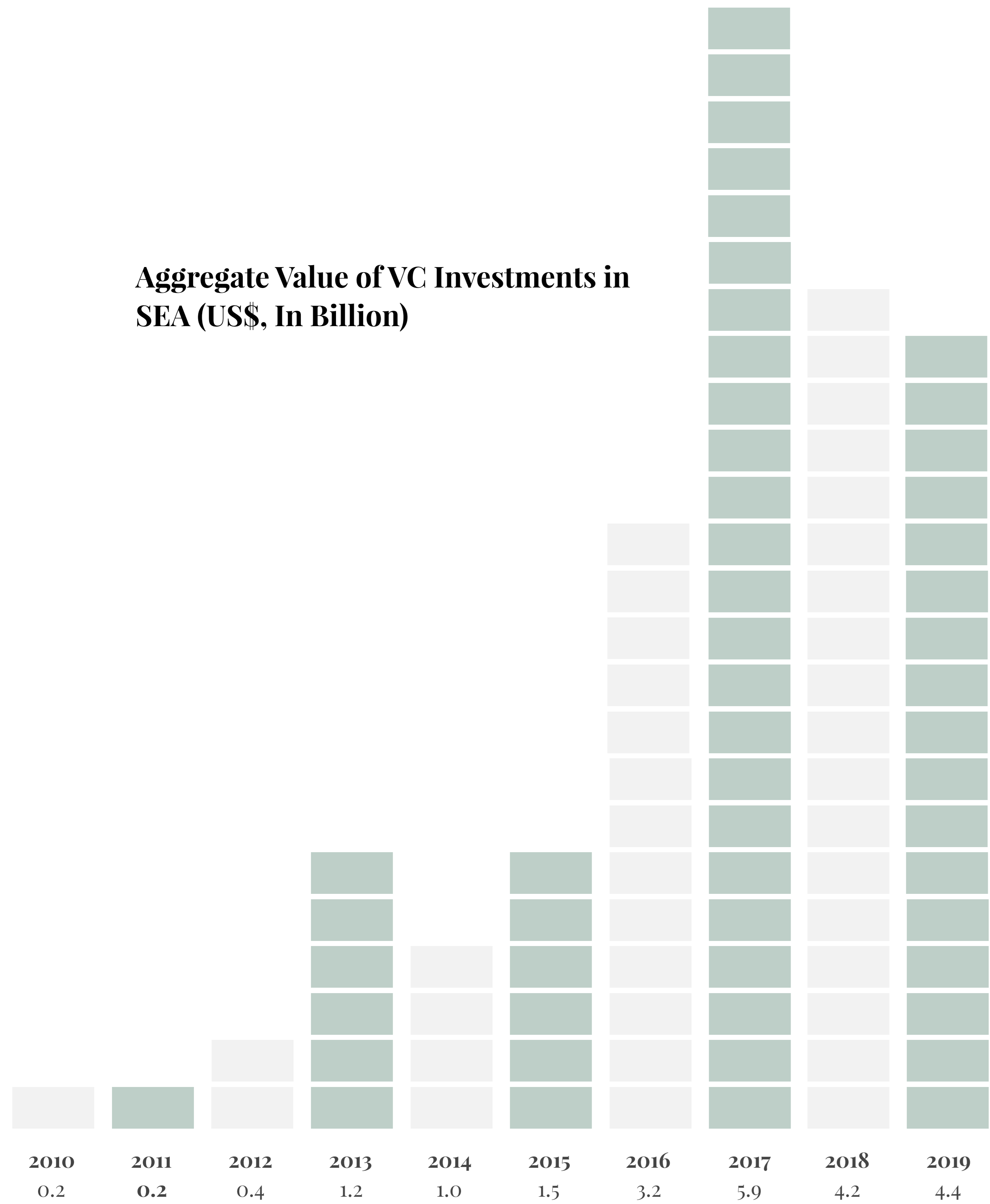


REST OF SEA



Venture Investment Lags Global Activities in Other Markets

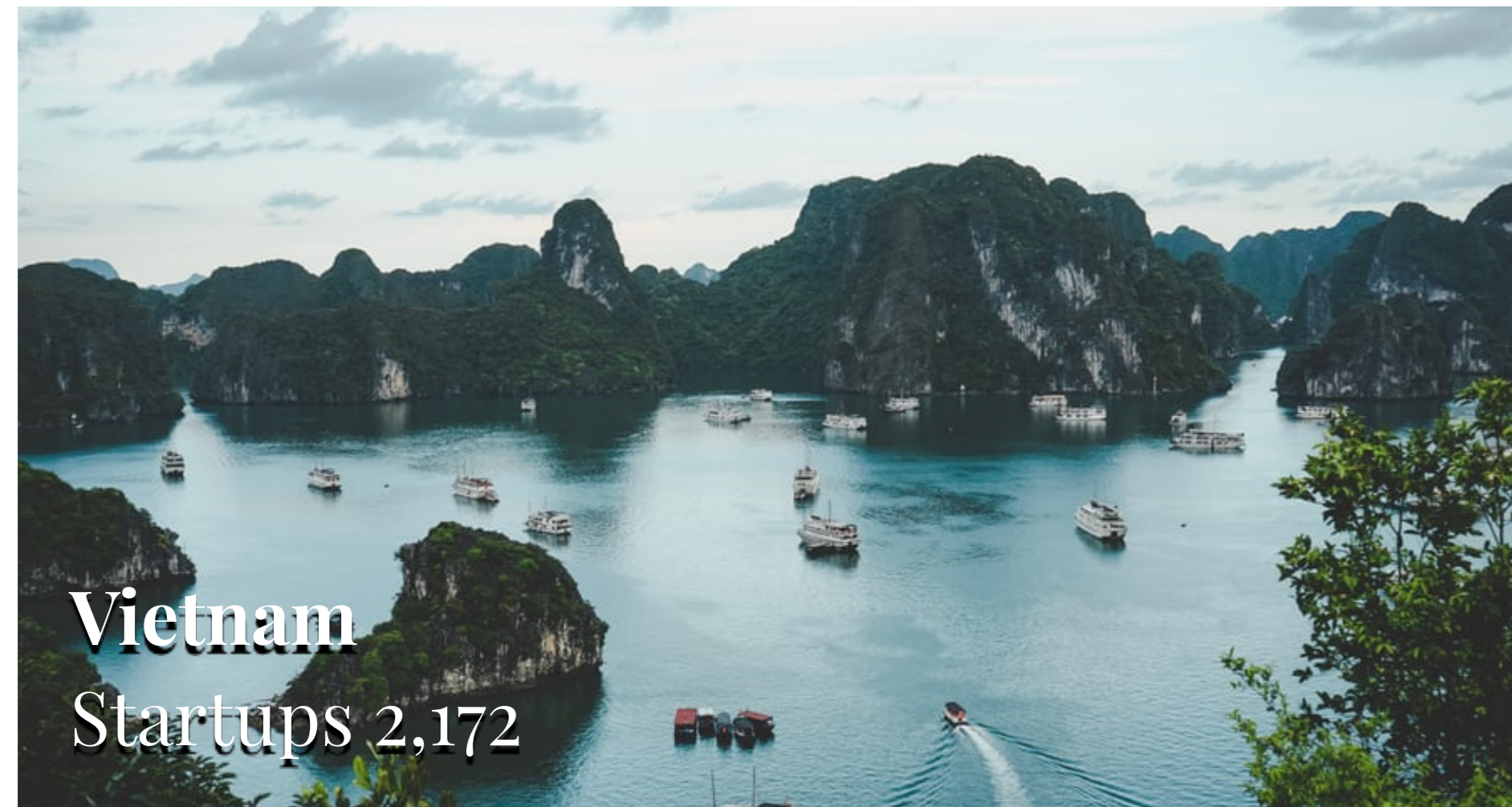
Aggregate Value of VC Investments in SEA (US\$, In Billion)



Comparison of Venture Investment for 2018

	US\$, BN
United States	66.6
China	31.0
Israel	4.8
Europe	4.4
Southeast Asia	4.2
Canada	2.4
Japan	1.4
Korean	1.2
Germany	1.0

Opportunities in the Next Wave of Startups





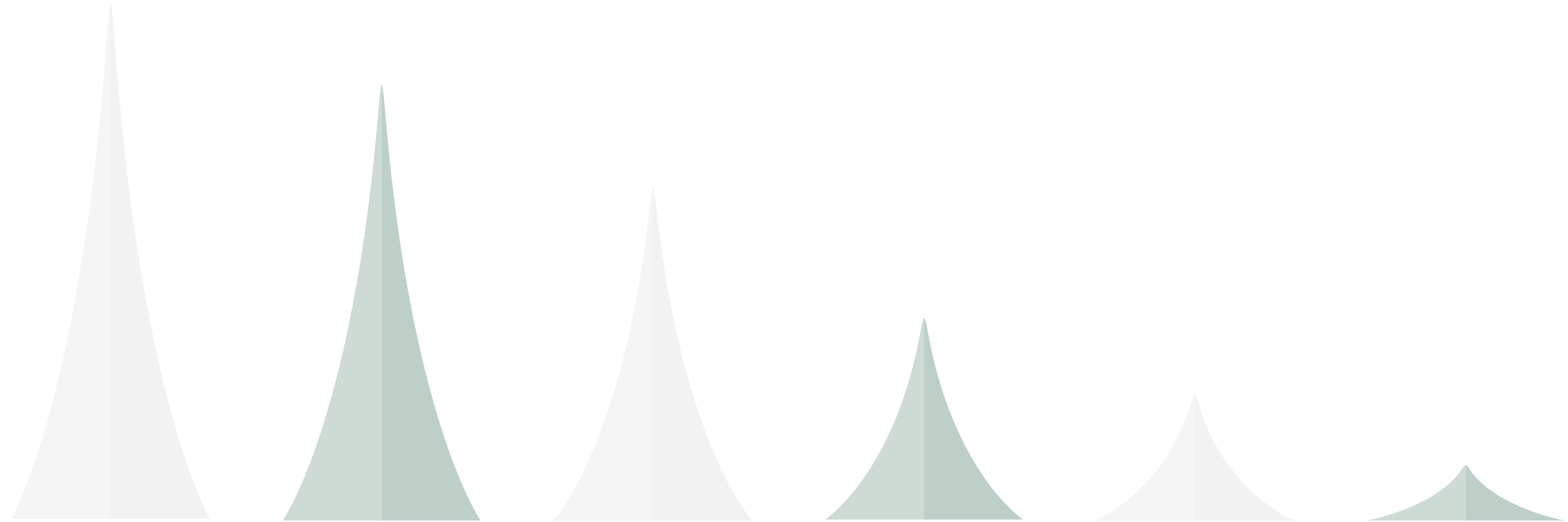
Rafflesia, the world's largest flower is parasitic and leech off another tree.

2

Methods of Investing into Startups

The Higher the Risk, The Higher the Rewards

Maximum Hypothetical Yield Curve



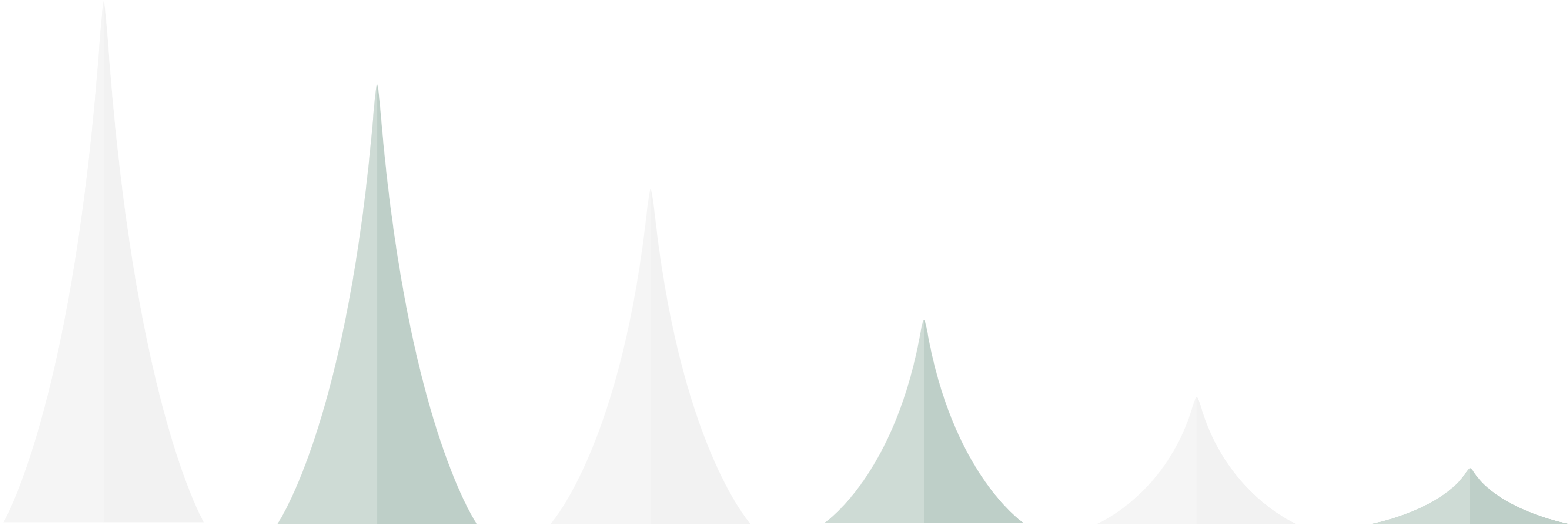
Angel (Pre-Seed) Seed Early Late Pre-IPO IPO/Exit

Estimated Risk of Investment



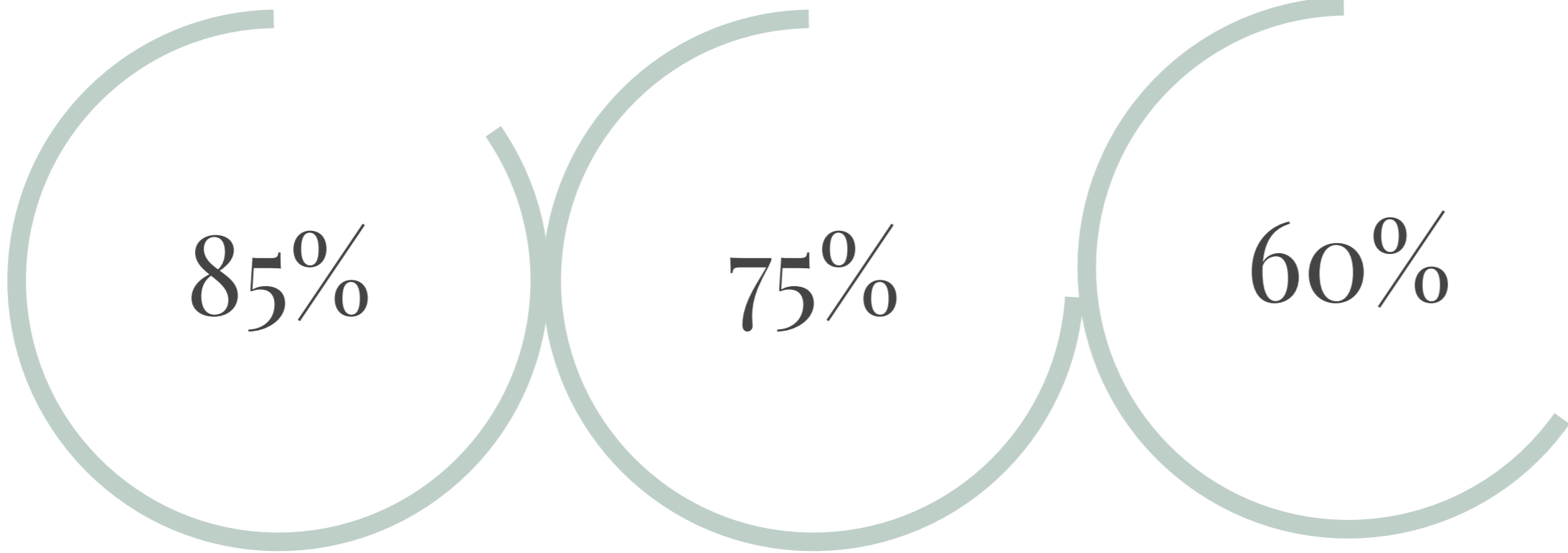
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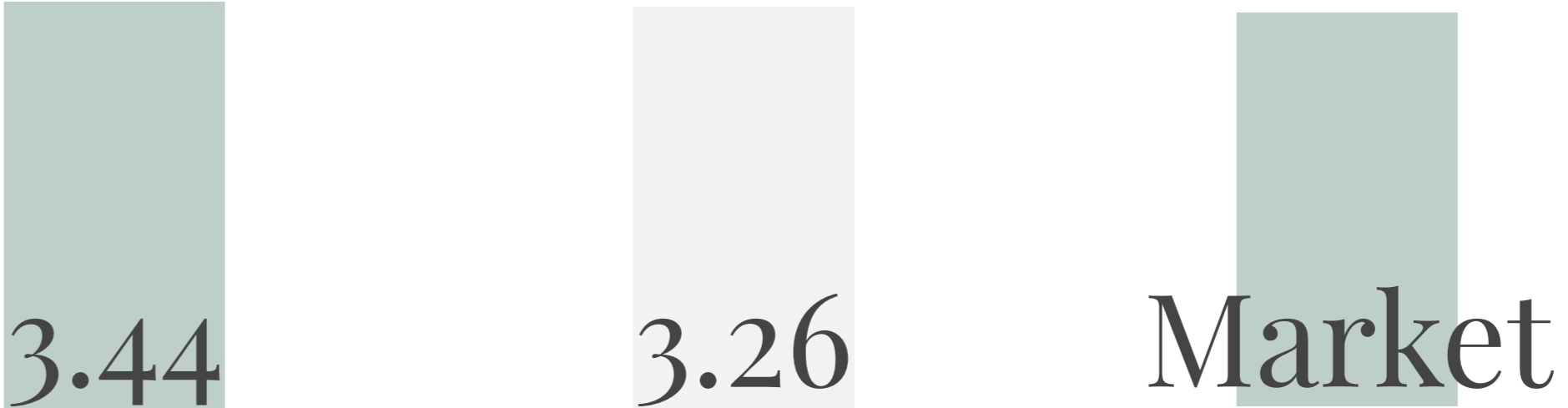


Angel (Pre-Seed) Seed Early Late Pre-IPO IPO/Exit

Failure to reach next stage



85% 75% 60%



3.44 3.26 Market

Corresponding Returns

Marginal Return Differential between Late & Pre-IPO

*Source: Angelist, Crunchbase & Preqin.

Accessing Southeast Asia Angel Network

Systematic Access Points



Existing angel network that aims to pull together group of investors

Syndicated at times

Informal Access Points



Ex-Founders
Friends & Family

Deal Size & Return Profile

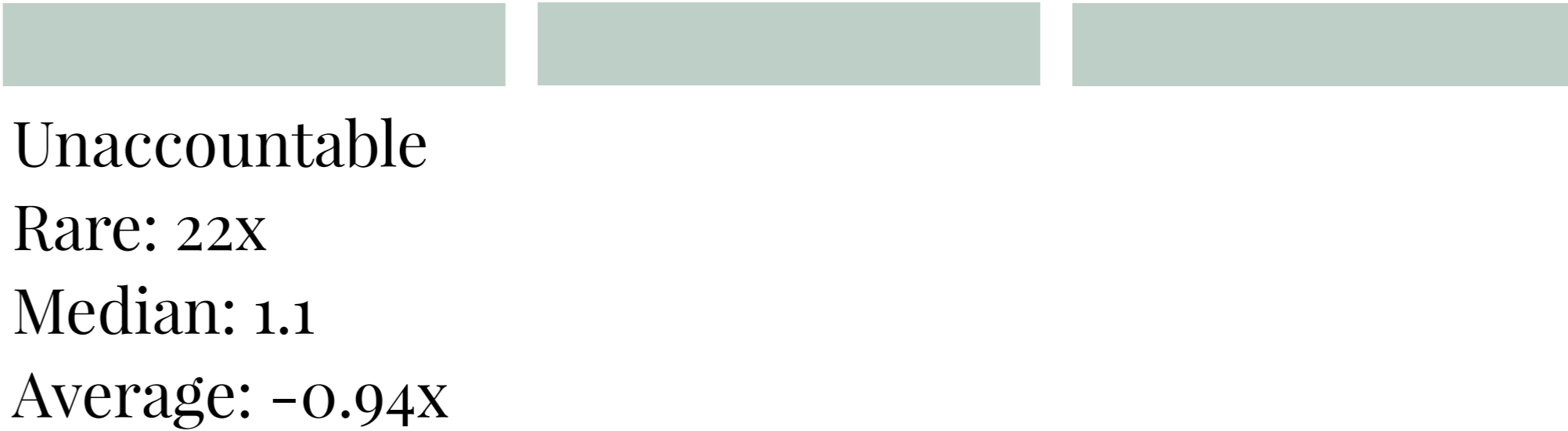
Average Deal Size



Failure Rate



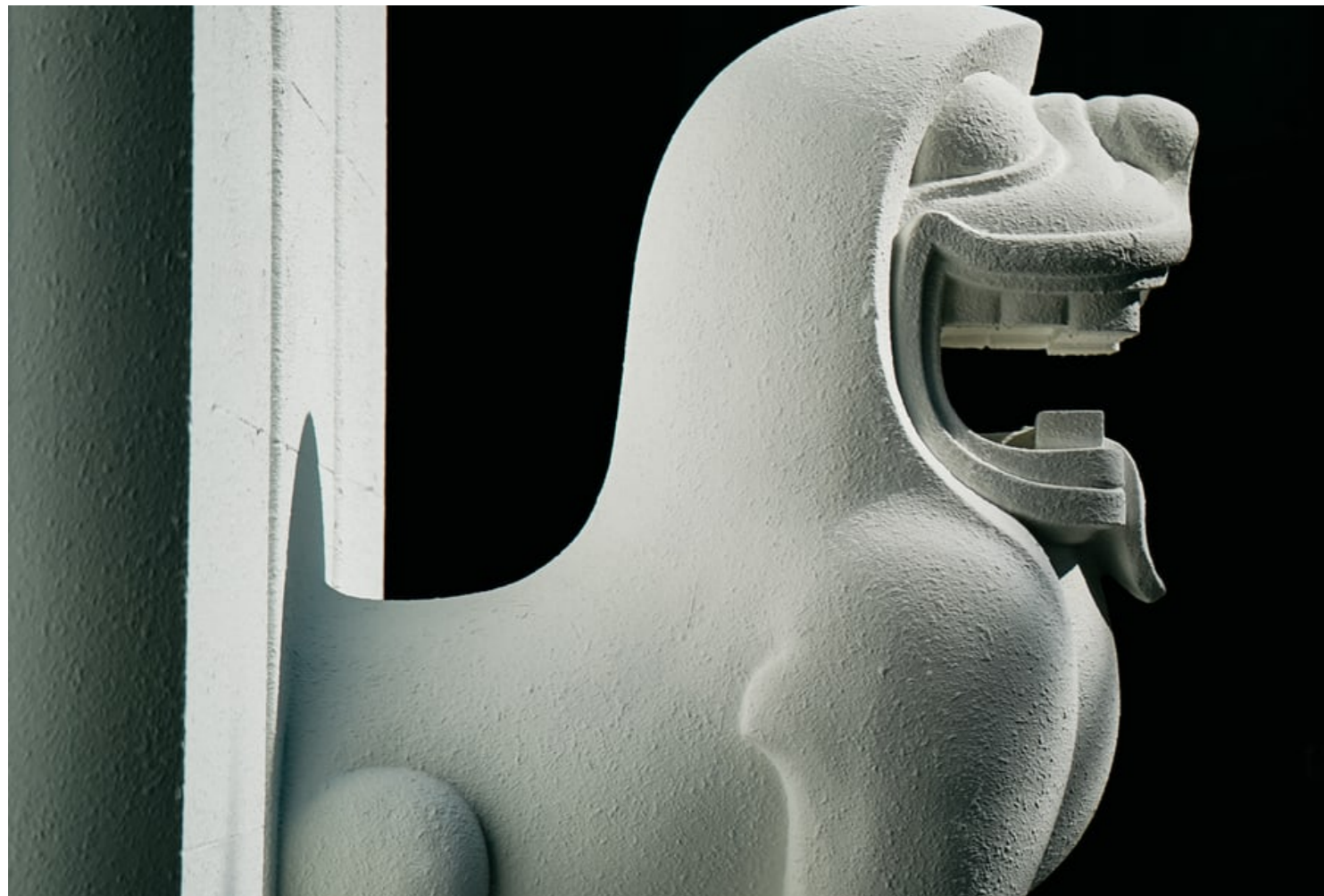
Expected Return



*Source: Angelist, Crunchbase & Preqin.

Seed to Early Stage

High Net Worth Individuals



Early Stage Fund



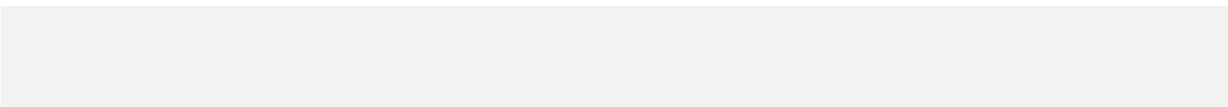
Deal Size & Return Profile

Average Deal Size



USD\$100,000 - \$250,000

Failure Rate



62% Failed to Reach Next Stage

Expected Return



Unaccountable
Rare: 14x
Median: 2.2
Average: 1.16

**Source: Angelist, Crunchbase & Preqin.*

Late Stage

Mixed Fund Types



TEMASEK

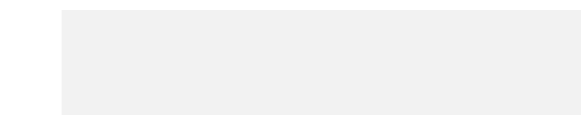
Deal Size & Return Profile

Average Deal Size



USD\$1m - \$15m

Failure Rate



18% Failed to Reach Next Stage

Expected Return



Median: 3.44

Pre-IPO to IPO

Private Equity / Family Offices



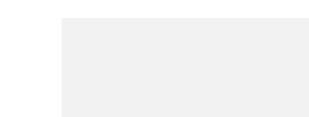
Deal Size & Return Profile

Average Deal Size



>US\$25m

Failure Rate



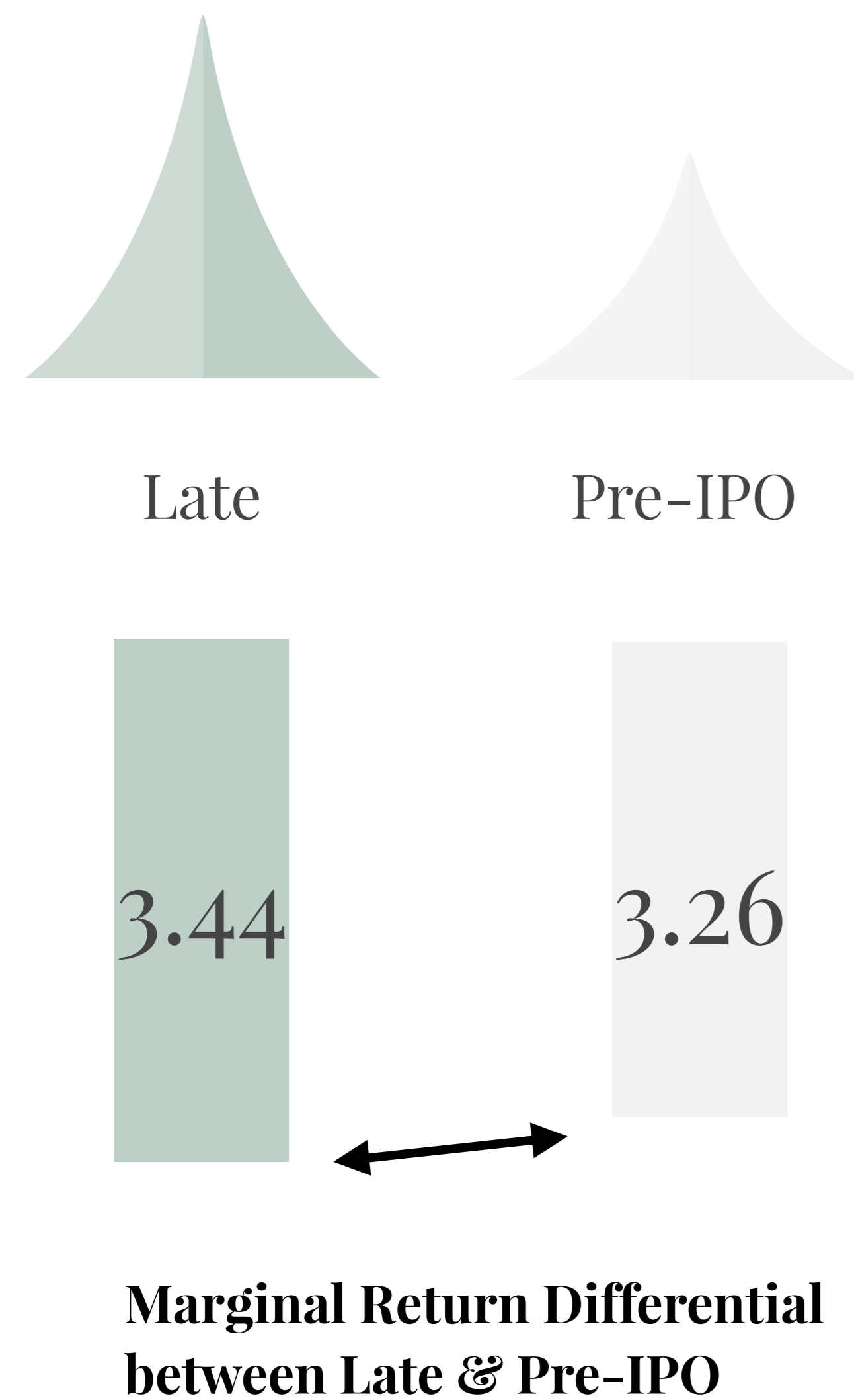
3.5% Failed to Reach Next Stage

Expected Return



Median: 3.26

Accounting for the Return Risk Reduction



Traditional Finance Approach

- Systematic Risk: Unavoidable
- Industry Risk: Market Leader or Approaching
- Market Risk: Clear advantages
- Execution Risk: Presence of clear management structure

Business Model Risk Approach

- Startups at late stages have achieved Solution <> Market Fit
- Value Proposition has been achieved and captured
- Remaining Risk: natural environment delta

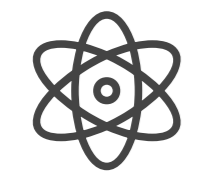


Culantro, native to Vietnam, is stronger and more acidic in nature to cousin, the cilantro leaves.

3

Maximising the Alpha in Startup Investment

3 Key Factors to Maximising Alpha and Reducing Risk



PORTFOLIO RISK DIVERSIFICATION

Startup investment are considered an alternative investment class and should always be treated as such.



TREND LINE INVESTING

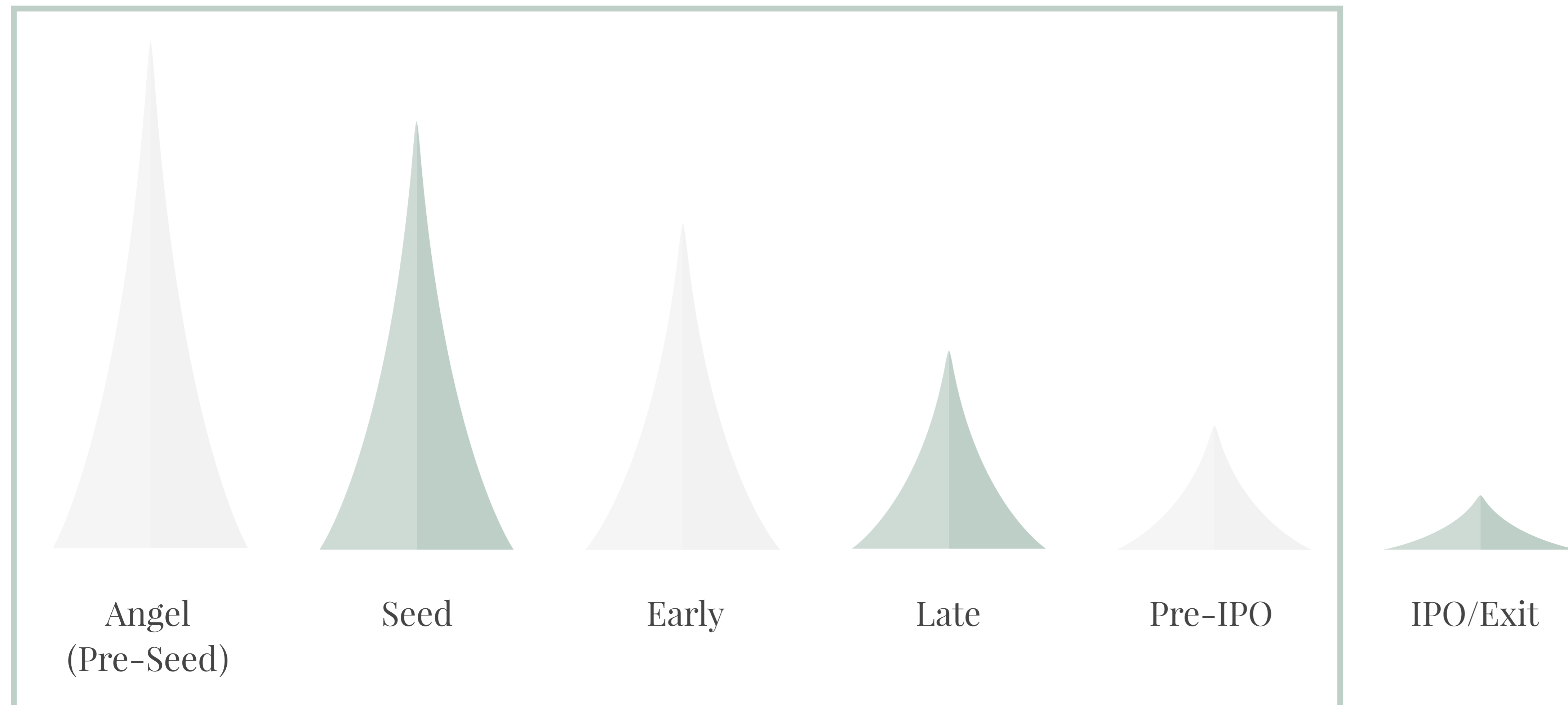
Global trends influence daily lives. Think ride share or communal living. How and when it come is the *BILLION* dollar question.



BREADTH OR DEPTH

Look for either breadth or depth on a systematic basis. Do dollar line averaging on startup investment.

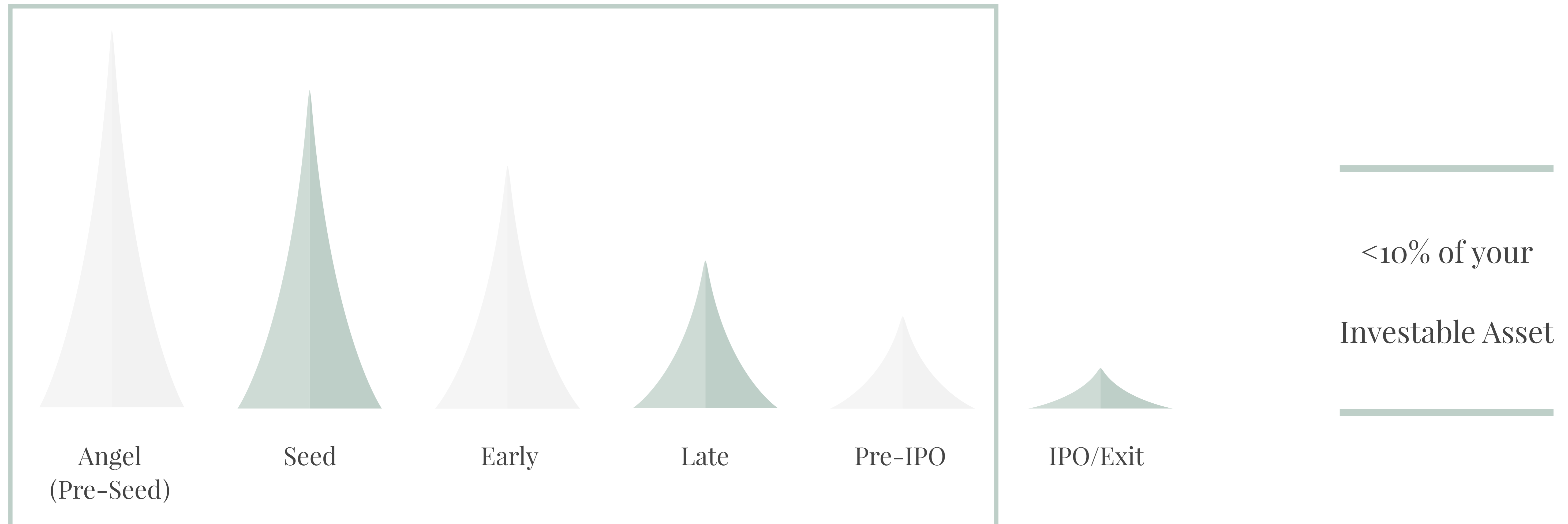
How much should you allocate to Startup Investment



“There is no such thing as
a Sure Thing”

- Illiquid Asset Class
- 5-15 years to see exit event
- ROI cannot be guaranteed even with “balanced” portfolio

How much should you allocate to Startup Investment



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- 5-15 years to see exit event
- ROI cannot be guaranteed even with “balanced” portfolio

Gazing into the Future and Seeing the Wave



**Heavy Precursor to Emerging
Consumer Pattern & Trends**



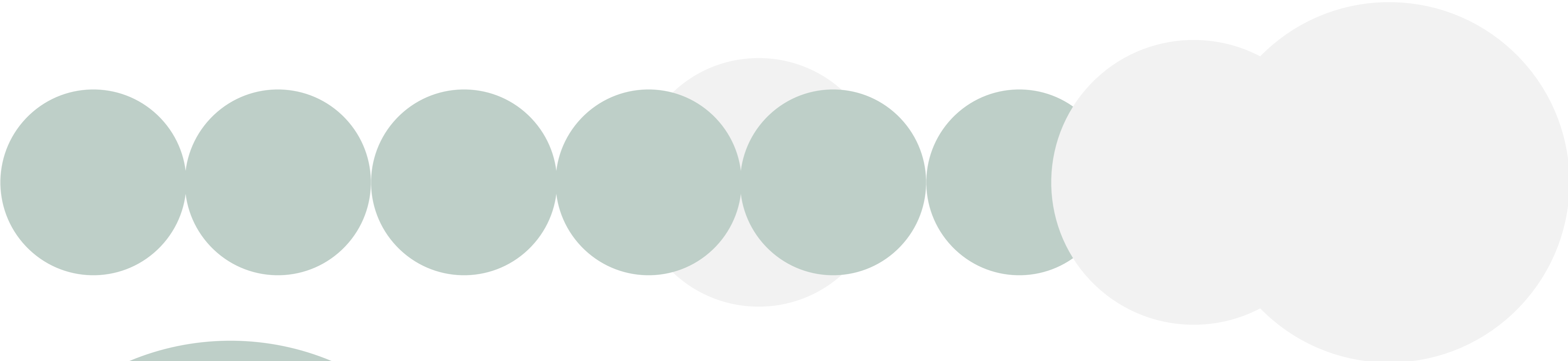
**Access to vast majority of
Southeast Asia Adaptions**

Making Sequential Investment over a Period

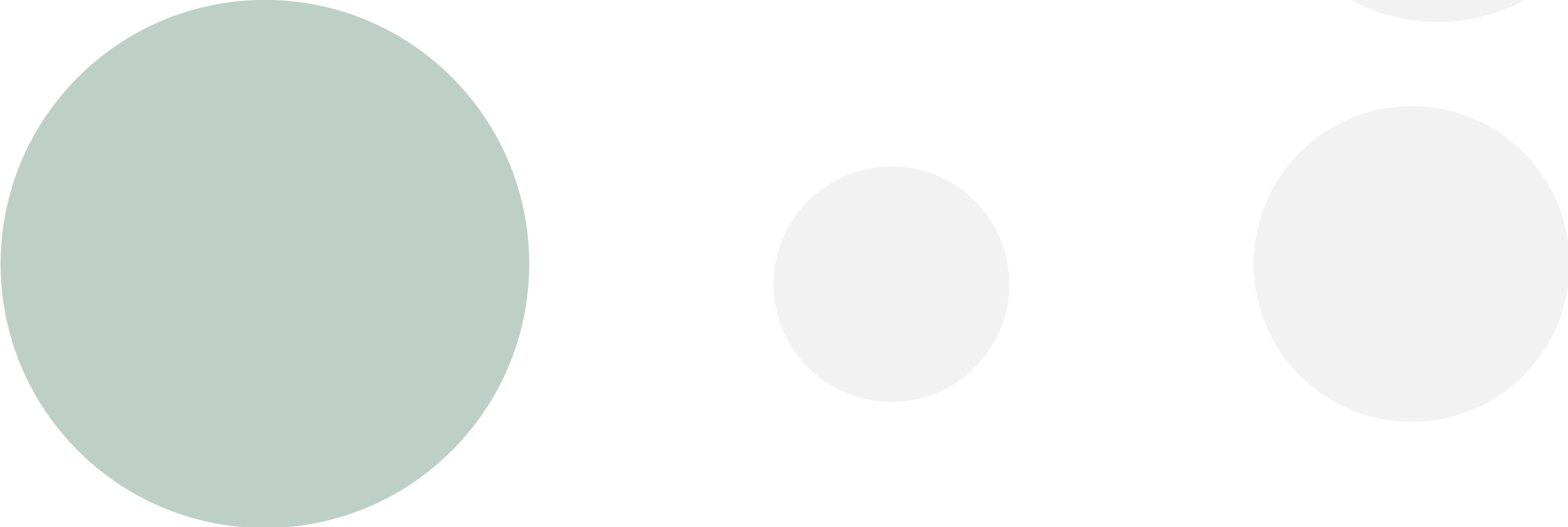
 Investment Outlay

 Investment Returns

Sequential Investment



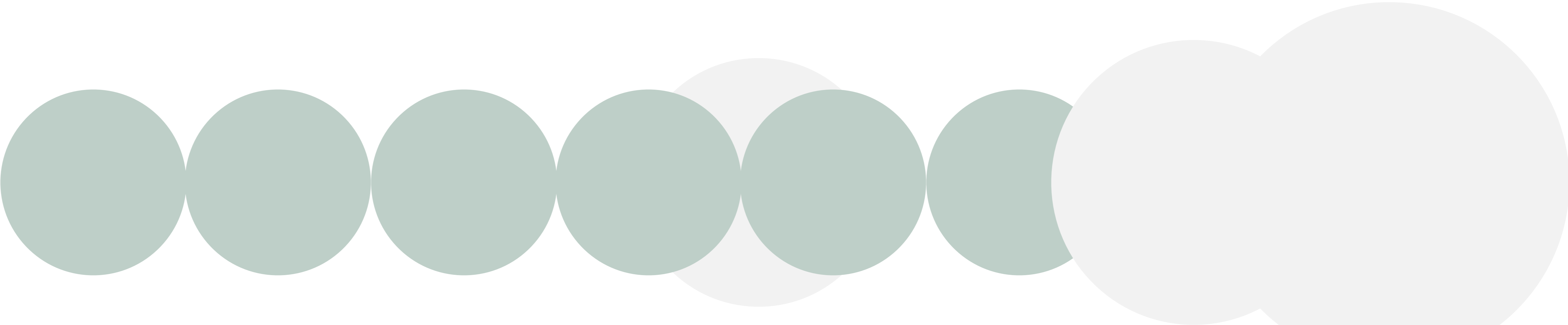
One Off Fund Allocation



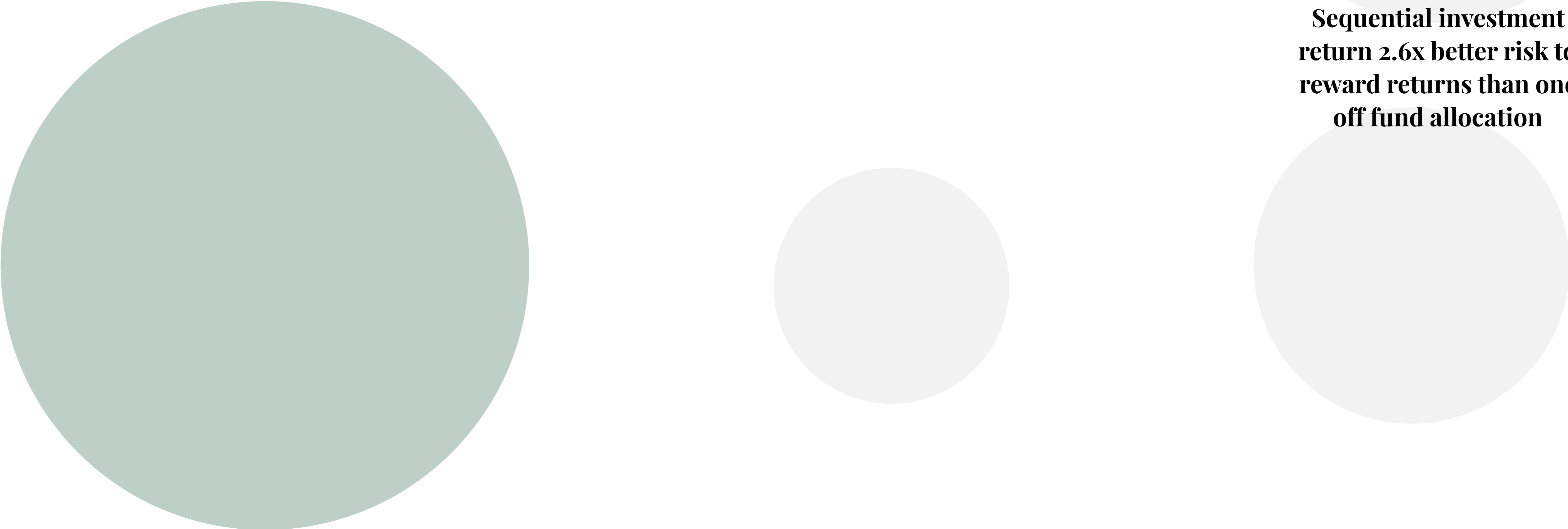
Making Sequential Investment over a Period

-  Investment Outlay
-  Investment Returns

Sequential Investment



One Off Fund Allocation





Ivan Chang 张伟龙

Trustee, Chang Family Foundation

✉ ivan@changfamily.foundation

📄 changfamily.foundation