

TRENDS IN GLOBAL TECH

Investments in Africa, Asia, CEE, Latin America and the Middle East

EMPEA's 2021 report on global venture investment traces venture capital (VC) flows across Africa, Asia, CEE, Latin America and the Middle East. This year's report includes new breakouts on cross-border co-investment to measure the scope of global collaboration during a time of record venture investment in global markets.

Following a blockbuster 2019, 2020 was a record year for VC investment across our markets, with **USD67b invested across 2,570 deals**. 2020 was also an overall record year for seed, early-stage and late stage investments, with investment activity picking up momentum in Q1 2021.

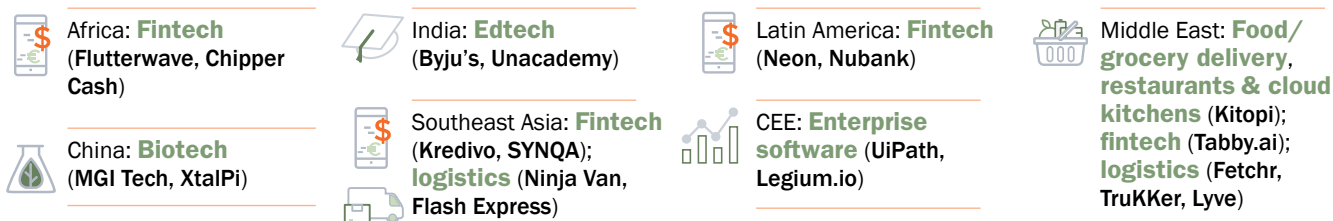
	No. of Deals					Capital Invested (USDm)				
	2016	2017	2018	2019	2020	2016	2017	2018	2019	2020
 Africa	28	46	63	108	159	111	163	232	817	486
 India	298	315	398	458	482	2,332	5,765	6,053	9,822	7,510
 China	489	570	899	630	862	15,547	29,722	41,646	20,438	48,241
 Southeast Asia	158	167	222	289	281	1,083	2,161	5,251	5,406	3,520
 Latin America	197	249	463	433	488	500	1,141	1,976	4,844	4,093
 CEE	55	71	48	53	114	124	193	614	1,087	1,131
 Middle East	33	27	25	56	52	663	102	75	203	245

Note: Green numbers indicate a record value for the geography.

Source: EMPEA. Data as of 31 December 2020.

Venture investment in edtech, healthtech, biotech and logistics — themes that accelerated during the pandemic — reached record levels by both deal count and dollars invested in 2020. **Fintech** and **enterprise software** investment dominated across regions, with fintech capturing over 15% of all VC deals in 2020. The pandemic shift to online learning and shopping accelerated deals in edtech and **E-Commerce platforms & marketplaces**.

Outsized rounds drove concentrations of capital into key verticals in 2020:



VC Investment in Top Technology Verticals by Geography, 2020

DISTRIBUTION OF VC DEALS (% of total)							
	Africa	China	India	Southeast Asia	Latin America	CEE	Middle East
Agtech	8%		6%				
Biotech, Medical Devices, & Diagnostics		27%					
E-Commerce Platforms & Marketplaces	8%	5%	10%	9%	8%		17%
Edtech	5%		11%	5%	5%	7%	
Enterprise Software & IT Services	14%	19%	17%	19%	28%	33%	10%
Fintech	20%	5%	18%	25%	26%	14%	17%
Food/Grocery Delivery, Restaurants, & Cloud Kitchens							10%
Healthtech	10%		6%		6%		6%
Logistics	7%			7%			12%
Media/Games/Entertainment			6%	6%		9%	12%

DISTRIBUTION OF CAPITAL INVESTED (% of total)							
	Africa	China	India	Southeast Asia	Latin America	CEE	Middle East
Agtech	17%						
Biotech, Medical Devices, & Diagnostics	5%	24%					
E-Commerce Platforms & Marketplaces		10%	10%	7%	10%		17%
Edtech		15%	25%			8%	
Enterprise Software & IT Services	7%	8%	14%	7%	14%	35%	
Fintech	25%		16%	22%	40%	5%	21%
Food/Grocery Delivery, Restaurants, & Cloud Kitchens			12%				29%
Healthtech	17%			5%			
Logistics	11%	6%		22%			20%
Media/Games/Entertainment		7%	8%				5%

Note: Values represent proportion of total deal activity in a given geography (region/country) that accrued to the specified vertical. Values under 5% are not displayed.

Source: EMPEA. Data as of 31 December 2020.

Investment activity hit a **record high of 159 transactions**, indicating a growing appetite among investors for early-stage deals. Venture investment in dollar terms dipped to USD486m in the absence of big ticket deals, although several large transactions were announced in Q1 2021.

MOBILE PAYMENTS

Over a decade after **M-Pesa** revolutionized mobile payments across the continent, the theme continues to dominate tech investment activity in Africa, from fintech startups to digital infrastructure.

- **Airtel Africa's** mobile money services subsidiary **AMC** raised USD200m from The Rise Fund and USD100m from **MasterCard** at a reported ~USD2.65b valuation.
- Ethos-backed, South Africa-listed **MTN Group** recently valued its mobile money arm at ~USD5b and is reportedly considering listing the unit.
- **Safaricom** and **Vodacom** acquired Vodafone's stake in **M-Pesa**, bringing Africa's largest mobile money service under full African ownership for the first time.
- US payments giant **Stripe** acquired Nigeria-based payments startup **Paystack** for a reported USD200m+, facilitating an exit for Beenext and Ingressive Capital.

Investor Participation in VC Deals (%)			
	2019		2020
Local (HQ in Africa)	42%	▲	52%
Global (HQ outside Africa)	77%	▶	77%
US	37%	▼	39%
Japan	26%	▲	30%
UAE	5%	▲	9%
France	8%	▼	9%
UK	6%	▼	7%
China	6%	▼	5%

Note: 'Local' indicates investors based within the named geography (country or region). 'Global' indicates investors based outside of the market.

Source: EMPEA. Data as of 31 December 2020.

- **Visa** invested in Helios-backed **Interswitch** at reported USD1b valuation.

DIGITAL INFRASTRUCTURE

- Actis acquired stake in Nigeria-based data center **Rack Centre**.
- African Infrastructure Investment Managers acquired stake in Ghana-based data center **Ngoya Etix DC**.
- Meridiam invested USD48m in Africa-focused data center developer **Raxio Group** for a facility in the DRC.

CROSS-BORDER

- Global investors participated in 77% of deals, with Africa-based VCs as co-investors in over half.
- Corporate-backed Japanese investors launched dedicated African vehicles. Kepple Africa Ventures, backed by accounting/back office services provider **Kepple**, was the most active investor in 2020 and closed its second seed fund, focused on West Africa, in late 2020. Samurai Incubate closed its second Africa-focused fund at USD19m in 2021; investors included **Toyota Tsusho Corporation**.
- China-based investors pulled back after participating in three of the largest VC investments in 2019 and did not participate in disclosed rounds over USD10m in 2020.

2020 MOST ACTIVE VCS

Kepple Africa Ventures,
Novastar Ventures, 500

2020 RECORDS

Seed investment
(USD40m) & **deals** (66)
Early-stage deals (73)

2020 TOP SECTORS

	Fintech	USD120m	32 deals
	Healthtech & Biotech	USD104m	20 deals
	Agtech	USD81m	12 deals
	Logistics	USD55m	11 deals
	Cleantech	USD23m	15 deals

VC 2020 Top Investments

Investors	Company	HQ	Sector	Value (USDm)	Round
Vostok New Ventures, Silicon Badia, Saudi Technology Ventures, Gulf Capital, Endeavor Global, CE-Ventures, BECO Capital	Vezeeta	Egypt	Healthtech	40	Series D
Y Combinator, Visa, Greycroft, Green Visor Capital, FIS Ventures, FinTech Collective, eVentures Africa, Endeavor Global, CRE Venture Capital, 9Yards Capital, 4DX Ventures	Flutterwave	US & Nigeria	Fintech	35	Series B
Ribbit Capital, Bezos Expeditions	Chipper Cash	US & Kenya	Fintech	30	Series B
Novastar Ventures, FMO, Mirova, AXA Investment Managers	Komaza	Kenya	Agtech	29	
VestedWorld, Toyota Tsusho Corporation, SUNU Capital, Kepple Africa Ventures, Enza Capital Management, Atlantica Ventures, Asia Africa Investment & Consulting	Sendy	Kenya	Logistics	20	Series B

Source: EMPEA VC Data.

Q1 2021 Key Transactions

Investors	Company	HQ	Sector	Value (USDm)	Round
Avenir, Tiger Global, DST Global, Early Capital Berrywood, Green Visor Capital, Greycroft, Insight Ventures, Salesforce Ventures, Worldpay FIS, 9yards Capital	Flutterwave	US & Nigeria	Fintech	170	Series C
Apis Partners, JG Summit Holdings	Tyme Bank	South Africa	Fintech	110	Series B
Intel Capital, TPG, EchoVC, GGV Capital, DCVC, Rethink Food, Schusterman Family Investments	Gro Intelligence	Kenya	Agtech	85	Series B
Denmark's IFU, STOA, Proparco, Morgan Stanley Investment Management	Daystar Power	Nigeria	Cleantech	38	Series B
Valar Ventures, Target Global	Kuda	Nigeria	Fintech	25	Series A
Kepple Africa Ventures, Future Africa, Nama Ventures, Aidi Ventures, Remapped Ventures, RallyCap Ventures, Assembly Investors, Acuity Ventures, Kairos Angels	Termii	Nigeria	CRM/ Sales	1.4	Seed

Source: Announced VC, tech & growth transactions tracked by EMPEA Research.

Venture investment in India reached **USD7.5b** across a record **482 deals**. It was also a record year for seed investment.

EDTECH

- Covid-19 and growing smartphone penetration set the stage for record investment in e-learning platforms, digital tools for educators, school operating systems and online upskilling academies.
- **Byju's** raised over USD1b in fresh funding and acquired **WhiteHat Jr** for USD300m in 2020, facilitating an exit for Nexus Venture Partners, Omidyar Network and Owl Ventures. In Q1 2021, Byju's raised at least USD460m in an ongoing Series F and acquired Blackstone-backed **Aakash Educational Services** for ~USD1b.

DIGITAL NATIONALISM

- Regulators impeded big-ticket tech investment from China and approved Reliance Industries' bid for Indian retailer Future Group over objections from **Future Group** shareholder **Amazon**. It goes to India's Supreme Court next.

Investor Participation in VC Deals (%)			
	2019		2020
Local (HQ in India)	72%	▲	76%
Global (HQ outside India)	59%	▲	67%
US	42%	▲	52%
Singapore	11%	▼	12%
Japan	5%	▼	6%
China	7%	▼	5%
UK	2%	▲	5%

Note: 'Local' indicates investors based within the named geography (country or region). 'Global' indicates investors based outside of the market.

Source: EMPEA. Data as of 31 December 2020.

2020 MOST ACTIVE VCS

Sequoia Capital, Matrix Partners, Accel Partners, Venture Catalysts

2020 RECORDS

Seed investment (USD233m) & **deals** (122)

2020 TOP SECTORS

	Edtech	USD1.9b	54 deals
	Fintech	USD1.2b	85 deals
	Food/Grocery Delivery, Restaurants & Cloud Kitchens	USD883m	17 deals
	E-Commerce	USD757m	51 deals
	Media/Games/Entertainment	USD572m	28 deals

- A border skirmish with China led to a ban of 200+ Chinese-made apps from **TikTok** to **WeChat**, rapidly opening market opportunities for local players. **Tencent** paused its India investments.
- In a remarkable move of cooperation over competition in India's fast growing mobile market, Reliance Industries subsidiary **Jio Platforms** raised an epic **USD20b+** in 2020 from **Facebook, Google, Intel, Qualcomm, Silver Lake, KKR, Vista Equity Partners, PIF, Mubadala, General Atlantic, TPG, L Catterton** and others.

CROSS-BORDER

- Global investors increased participation in Indian VC in 2020, although China-based investment dipped slightly.
- US-headquartered firms Sequoia Capital and Accel Partners were among the most active investors after closing new India-dedicated vehicles.
- China- and US-based investors participated together in 4% of Indian VC deals in 2019 and 2020.

VC 2020 Top Investments

Investors	Company	Sector	Value (USDm)	Round
General Atlantic, Tiger Global, BOND, DST Global, Silver Lake, Owl Ventures, BlackRock, Sands Capital Ventures, Alkeon Capital Management	Byju's	Edtech	1000+	Over 5 tranches
Tiger Global, Kora Management, Fidelity International, D1 Capital Partners, Steadview Capital, Mirae Asset Global Investments, Luxor Capital Group, Bow Wave, Baillie Gifford, Temasek	Zomato	Food/Grocery Delivery, Restaurants & Cloud Kitchens	608	Series J (three tranches)
TPG, Tiger Global, Footpath Ventures, ChrysCapital	Dream Sports (Dream11)	Media/Games/Entertainment	225	Series E
Unbound, Moore Strategic Ventures, Exor, DST Global	Cars24	E-Commerce	200	Series E
Tiger Global, Steadview Capital, Advent International	Zenoti	CRM/Sales	160	Series D

*Source: EMPEA VC Data.

Q1 2021 Key Transactions

Investors	Company	Sector	Value (USDm)	Round
MC Global Edtech Investment Holdings, B Capital, Baron Global Advantage Fund, Arison Holdings, TCDS India, TIGA India, Silver Lake, Owl Ventures, T. Rowe Price	Byju's	Edtech	460	Series F (ongoing)
TCV, D1 Capital Partners, Falcon Edge, ChrysCapital, Tiger Global, TPG, Steadview Capital, Footpath Ventures	Dream Sports (Dream11)	Media/Games/Entertainment	400	Secondary
Octahedron Capital, Moonstone Capital, Lightspeed, DST Global, GGV Capital, Altimeter Capital, Tencent	Udaan	E-Commerce	280	Series D+
Kora Management, Fidelity, Tiger Global, Bow Wave, Dragoneer	Zomato	Food/Grocery Delivery, Restaurants & Cloud Kitchens	250	
Google, Mithril Capital	Glance	Media/Games/Entertainment	145	
Sorenson Capital Partners, Cisco, Chiratae Ventures, March Capital Partners, Serena Capital, Sanabil Investments, National Grid Partners, Iron Pillar Fund, Sistema	Uniphore	Enterprise Software	140	Series D
Lightspeed, Greenoaks Capital, Sequoia Capital, Kae Capital	Zetwerk	E-Commerce	120	Series D
Coatue, Ribbit Capital, Insight Partners, Steadview Capital, Sequoia Capital, Beenext, Amplo	BharatPe	Fintech	108	Series D
Qatar Investment Authority, Glade Brook Capital Partners, Sofina, Canaan Valley Capital	Verse Innovation (Daily Hunt, Josh)	Media/Games/Entertainment	100	Series H+
Tiger Global, Fundamental, Accel Partners, Nexus Venture Partners, Evolve Capital, Sistema	Infra.Market	E-Commerce	100	Series C
Composite Capital, Moore Strategic Ventures, Base Partners, RTP Global, SIG, Go-Ventures, Telstra Ventures, Founders Circle, Play Ventures	Mobile Premier League	Media/Games/Entertainment	95	Series D

Source: Announced VC, tech & growth transactions tracked by EMPEA Research.

VC investment in China reached **USD48.2b**, topping 2018's high of USD41.6b. Dominant themes from 2019 spilled over into 2020 and Q1 2021, led by **AV** and **semiconductors/chips, biotech, edtech** and **games**. China's government highlighted domestic supply chains for biotech and semiconductors/chips as key development goals and promoted incentives for domestic EV/AV development.

LISTINGS

Increased regulatory scrutiny put **Ant Group's** joint HKEX/Shanghai listing and dozens of other domestic tech listings on pause. Even so, Shanghai's STAR Market was the most popular listing destination for private capital-backed Chinese companies in 2020, with major listings in Hong Kong and New York as well.

- Chipmaker **SMIC** raised USD6.6b on the STAR Market.
- On the HKEX, social app **Kuaishou** raised ~USD5.4b; **JD.com** raised ~USD4b in a secondary listing; and biotech **Antengene** raised ~USD360m.
- In New York, EV/AV makers **Xpeng Motors & Li Auto** raised USD1.5b & USD1.1b, respectively.

Investor Participation in VC Deals (%)			
	2019		2020
Local (HQ in China)	91%	▲	92%
Global (HQ outside China)	37%	▲	42%
US	30%	▲	33%
Singapore	4%	▲	6%
South Korea	2%	▲	3%
Japan	0%	▲	2%
Germany	1%	▲	2%

Note: 'Local' indicates investors based within the named geography (country or region). 'Global' indicates investors based outside of the market.

Source: EMPEA. Data as of 31 December 2020.

CROSS-BORDER

- Chinese VC is a highly competitive landscape dominated by local players, who participated in 92% of VC investments in 2020.
- Qiming Venture Partners and Sequoia Capital were two of the most active investors, after closing USD1.2b and USD2.8b respectively.
- Despite geopolitical headwinds, global investor participation in Chinese VC stepped up in 2020.


2020 MOST ACTIVE VCS

Sequoia Capital, Matrix Partners, CPE, GL Ventures, Qiming Venture Partners, IDG Capital, 5Y Capital

2020 RECORDS

Late stage investment (USD36.4b) & deals (266)

2020 TOP SECTORS

	Biotech	USD11.8b	232 deals
	Edtech	USD7b	35 deals
	E-Commerce	USD4.8b	52 deals
	Media/Games/Entertainment	USD3.4b	17 deals
	Auto/EV/AV	USD3.3b	20 deals
	Computer Hardware/Chips/Semiconductors	USD2.3b	58 deals

VC 2020 Top Investments

Investors	Company	Sector	Value (USDm)	Round
Tencent, Temasek, Boyu Capital	Kuaishou	Media/Games/Entertainment	3,000	Series F
Xiang He Capital, Tiger Global, Tiantu Capital, SoftBank, Sequoia Capital, Qatar Investment Authority, FountainVest Partners, Alibaba	Zuoyebang	Edtech	2,350	Series E
Trustbridge Partners, Tencent, Temasek, Ocean Link, IDG Capital, Hillhouse Capital, Greenwood Investment, GIC, DST Global, DCP Capital, Danhe Capital, CPE, Boyu Capital	Yuanfudao	Edtech	2,200	Series G
SoftBank, Sequoia Capital, Permira, Fidelity International, Hillhouse Capital, GGV Capital, Lightspeed, Yunfeng Capital, Xiang He Capital, Baillie Gifford, All-Stars Investment, China Merchants Capital Management, Tencent	Manbang Group	Logistics	1,700	Late Stage
SoftBank, Sequoia Capital	Chehaoduo Group	E-Commerce	1,700	Series D
Yingke Private Equity, SIG Asia Investments, SAIC Capital, Baidu Capital	WM Motor	Automotive/EV/AV	1,469	Late Stage
IDG Capital, CPE, China Renaissance, Shanghai International Group, Huatai Zijin Investment, Ti Capital, Co-Stone Venture Capital, Dingfeng Asset Management, GTJA Innovation Investment, Goldstone Investment, Shenzhen Green Pine Capital Partners, Sailing Capital International	MGI Tech	Biotech	1,000	Late Stage
SoftBank, Legend Capital, Didi Chuxing	Didi Bike (Qingju)	Transportation/Mobility	1,000	Late Stage

Source: EMPEA VC Data.

Q1 2021 Key Transactions

Investors	Company	Sector	Value (USDm)	Round
Sequoia Capital, FountainVest Partners, KKR, Tencent, Temasek, Primavera Capital Group, China Evergrande Group	Xingsheng Youxuan	Food/Grocery Delivery, Restaurants & Cloud Kitchens	2,000	Growth Stage
Alibaba, DST Global, D.E. Shaw & Co., Anatole Investment, Jeneration Capital, Dragoneer, CDH Investments, GGV Capital, Kunlun Capital, Franchise Capital, Cygnus Equity	Nice Tuan	Food/Grocery Delivery, Restaurants & Cloud Kitchens	750	Late Stage
Baillie Gifford, Yunfeng Capital, CPE, BYD Auto, Great Wall Motors, Changjiang Automobile Electronic, Dongfeng Asset, Sunny Optical Technology, Changzhou Xingyu Car Light, CMC-SDIC Capital, Shougang Fund	Horizon Robotics	Chips/Semiconductors	750	Series C2, C3
Boyu Capital, Primavera Capital Group, Hopu Investments, Sequoia Capital, Goldman Sachs, CPE, Jinyi Capital, FountainVest Partners, China-UAE Fund, Mubadala, CDB Capital, China Reform Holdings, JIC Technology Investment, CSC Financial, Haitong Securities	4Paradigm	AI/ML	700	Series D
SAIC Motor, Toyota, Robert Bosch, Yunfeng Capital, Temasek, Mercedes-Benz, GGV Capital, Shunwei Capital, Tencent, Cathay Capital	Momenta	Automotive/EV/AV	500	Series C
GL Ventures, Temasek, Oceanpine Capital, OrbiMed, Delos Capital	Clover Biopharmaceuticals	Biotech	230	Series C
FountainVest Partners, ClearVue Partners, Quanta Computer, Phi Zoyi Capital, Millenium Technology Value Partners, Sequoia Capital, SAIC Capital, Full Truck Alliance, CPE, Guotai Junan International	Plus.ai	Automotive/EV/AV	420	Late Stage
Lilly Asia Ventures, Loyal Valley Capital, Lanting Capital, TF Capital, Vertex Ventures China	Regor Therapeutics	Biotech	90	Series B

Source: Announced VC, tech & growth transactions tracked by EMPEA Research.

Early-stage investment activity hit a record high, while total venture investment dipped to **USD3.5b** from a 2019 high of **USD5.4b**.

SUPER APPS

Super apps **Grab** and **Gojek** raised a collective ~USD3.5b in 2019 and ~USD2.3b in disclosed private capital financing in 2020. In Q1 2021, Grab announced a landmark SPAC deal with Altimeter Capital for an expected ~USD40b listing in New York and a ~USD4b attached PIPE deal, as well as a USD2b term loan facility.

- Grab Financial raised an additional USD300m in Q1 2021, and Gojek is set to merge with **Tokopedia** at an estimated ~USD30-40b valuation.

LOGISTICS

Fueled by accelerating E-Commerce adoption during the pandemic, VC investment in logistics jumped to USD768m in 2020 (from USD116m in 2019), with USD100m+ rounds for **Ninja Van**, **Flash Express** and **Waresix** in 2020, as well as early-stage rounds for **Kargo Technologies** (USD31m) and **Shipper** (USD20m) in Indonesia.

Investor Participation in VC Deals (%)			
	2019		2020
Local (HQ in Southeast Asia)	74%	▲	75%
Global (HQ outside South-east Asia)	66%	▲	74%
US	37%	▲	50%
China	13%	▲	15%
Japan	12%	▲	13%
South Korea	10%	▲	11%
India	4%	▲	3%

Note: 'Local' indicates investors based within the named geography (country or region). 'Global' indicates investors based outside of the market.

Source: EMPEA. Data as of 31 December 2020.

2020 MOST ACTIVE VCS

Sequoia Capital, East Ventures, 500, Insignia Ventures, AC Ventures, Wavemaker Partners, Beenext

2020 RECORDS

Early-stage investment (USD1.6b) & **deals** (158)

2020 TOP SECTORS

	Fintech	USD770m	70 deals
	Logistics	USD768m	19 deals
	Travel	USD265m	6 deals
	Proptech	USD257m	10 deals
	E-Commerce	USD286m	34 deals

FOODTECH

- Startups developing alternative sources of protein raised rounds in 2020 and Q1 2021: **Shiok Meats**, **TurtleTree Labs** and **Growthwell**, followed by **Next Gen Foods**, **Green Butcher** and **SG Protein**.
- Singapore became the first country to approve lab-grown meat for human consumption.

CROSS-BORDER

- Global investor participation ticked up in 2020 as regional players **Sea**, **Grab**, **Gojek** and **Tokopedia** showcased the scale of Southeast Asian tech. In tandem, **Amazon**, **Facebook**, **Twitter** and others invested in their Singapore presence, doubling down in the region.

VC 2020 Top Investments

Investors	Company	HQ	Sector	Value (USDm)	Round
Oman State General Reserve Fund, Monk's Hill Ventures, InVent, Grab, Golden Gate Ventures, GeoPost, Carmenta, Brunei Investment Agency, B Capital	Ninja Van	Singapore	Logistics	279	Series D
Qatar Investment Authority, East Ventures	Traveloka	Indonesia	Travel	250	
TPG, KKR	Property Guru	Singapore	Proptech	220	
PTT Oil and Retail Business, Krungsri Finnovate, Gaorong Capital, eWTP Ecosystem Fund Management, Durbell, Cloud Angel Fund	Flash Express	Thailand	Logistics	200	Series D
STIC Investments	Grab	Singapore	Super Apps	200	Series H (ongoing)

Source: EMPEA VC Data.

Q1 2021 Key Transactions

Investors	Company	HQ	Sector	Value (USDm)	Round
SoftBank, Tencent, CPE, Sequoia Capital, Shunwei Capital, Vertex Ventures	PatSnap	Singapore	Enterprise Software	300	Series E
Hanwha Asset Management, Arbor Ventures, Flourish Ventures, K3 Ventures, GGV Capital	Grab Financial Group	Singapore	Super Apps	300	
Bow Wave	GCash	Philippines	Fintech	175	Growth
Falcon House Partners, Kejora Capital, DEG, MDI Ventures, Indies Capital, Pavilion Capital, Trihill Capital, Daiwa Securities	SiCepat	Indonesia	Logistics	170	Series B
Warburg Pincus, Goodwater Capital, Affirma Capital, Kora Management, Tybourne Capital, Macquarie Capital	MoMo	Vietnam	Fintech	100	Growth
Ribbit Capital, Horizons Ventures, Alpha JWC, SoftBank Ventures Asia, Insignia Ventures, Y Combinator, ICONIQ Capital, Bangkok Bank	Ajaib	Indonesia	Fintech	90	Series A (two tranches)
Accel Partners, Y Combinator	Xendit	Indonesia	Fintech	65	Series B
General Atlantic	KGBio	Indonesia	Biotech	55	Growth
Development Bank of Japan, JIC Venture Growth Investments, Juroku Bank, Mobile Internet Capital, Singapore Exchange, Tokai Tokyo Financial Holdings, Hanwha Asset Management	iStox	Singapore	Blockchain	50	Series A
Temasek, K3 Ventures, EDB New Ventures, NX Food, FEBE Ventures, Blue Horizon Ventures	Next Gen Foods	Singapore	Foodtech	10	Seed

Source: Announced VC, tech & growth transactions tracked by EMPEA Research.

Venture investment in Latin America topped **USD4b** for a second consecutive year with a record 488 transactions, record seed and early-stage investments in a number of major markets, and strong dealmaking activity spilling into Q1 2021.

EXITS

Strategic sales and listings ticked up during the pandemic, providing exits for a range of investors:

B3 listings for **Enjoei** and **Méliuz** **Zygo Technology** sale to **PagSeguro**
RD sale to **TOTVS** **Gesto Saúde** sale to **Dasa**
Auth0 sale to **Okta** **Kavak** secondary sale to SoftBank & General Atlantic
Cornershop sale to **Uber** **Grupo ZAP** sale to **OLX Brasil**
iClinic sale to **Afya** **Sirena** sale to **Zenvia**

CROSS-BORDER

- Collaborative investing between local and global fund managers accelerated in 2020. Investors on tickets over USD50m in 2020 included Accel Partners, Andreessen Horowitz, Dragoneer, DST Global, General Atlantic, GGV, Ribbit Capital, Sequoia Capital, SoftBank, Tiger Global, T. Rowe Price & Vulcan Capital, as well as PE players Advent International, L Catterton & Silver Lake.
- The SoftBank Latin America Fund comprised the bulk of participation from Japan.

Investor Participation in VC Deals (%)			
	2019		2020
Local (HQ in Latin America)	80%	▲	83%
Global (HQ outside Latin America)	41%	▼	39%
US	36%	▶	36%
Japan	3%	▼	2%
Germany	3%	▼	2%
Spain	1%	▼	2%
UK	1%	▶	1%

Note: 'Local' indicates investors based within the named geography (country or region). 'Global' indicates investors based outside of the market.

Source: EMPEA. Data as of 31 December 2020.

View **LAVCA's 2021 Review of Tech Investment in Latin America** for fundraising and exit highlights, top & highlighted deals, sector and stage analysis in the key markets, most active investors & more at lavca.org/vc/vc-data/.

2020 MOST ACTIVE VCS

Canary, DOMO Invest, Y Combinator, KASZEK, monashees

2020 RECORDS

Seed investment
(USD235m)

Early-stage investment
(USD1.6b) & **deals** (207)

2020 TOP SECTORS

	Fintech	USD1.6b	127 deals
	E-Commerce	USD507m	49 deals
	Super Apps	USD300m	1 deal
	PropTech	USD257m	30 deals
	Logistics	USD154m	21 deals

VC 2020 Top Investments

Investors	Company	HQ	Sector	Value (USDm)	Round
Vulcan Capital, Propel Venture Partners, PayPal Ventures, monashees, General Atlantic, Flourish Ventures, Endeavor Global, BlackRock	Neon Pagamentos	Brazil	Fintech	300	Series C
Sequoia Capital, Ribbit Capital, KASZEK, Dragoneer	Nubank	Brazil	Fintech	300	Late Stage
T. Rowe Price	Rappi	Colombia	Super Apps	300	Late Stage
Wellington Management, Vostok Emerging Finance, Tarsadia Capital, SoftBank, LGT Lightstone, KASZEK, e.ventures, Amadeus Capital Partners, Advent International	Creditas	Brazil	Fintech	225	Series E
Vulcan Capital, Valor Capital Group, Thrive Capital, QED Investors, monashees, Jaguar Ventures, Fifth Wall Ventures, Andreessen Horowitz	Loft	Brazil	Proptech	175	Series C
SoftBank, DST Global, Greenoaks Capital, General Atlantic, KASZEK, QED Investors	Kavak	Mexico	E-Commerce	Undis-closed	Late Stage

Source: EMPEA VC Data.

Q1 2021 Key Transactions

Investors	Company	HQ	Sector	Value (USDm)	Round
D1 Capital Partners, Advent International, DST Global, Silver Lake Waterman, Soros, Tarsadia Capital, Tiger Global, Caffeinated Capital, monashees, QED Investors, Andreessen Horowitz, Vulcan Capital, Altimeter Capital, CPP Investments, Fifth Wall Ventures, Zigg Capital	Loft	Brazil	Proptech	425	Series D
GIC, Whale Rock, Invesco, Tencent, Dragoneer, Ribbit Capital, Sequoia Capital	Nubank	Brazil	Fintech	400	Series G
CapSur Capital, monashees, SoftBank, GGV, Microsoft, Sunley House Capital Management	Loggi	Brazil	Logistics	205	Late Stage
SoftBank, Dynamo Capital, VELT Partners, Brasil Capital, Lakewood Investment Management, monashees, Flybridge Capital	Madeira Madeira	Brazil	E-Commerce	190	Series E
Accel Partners, ThornTree Capital Partners, KASZEK, Qualcomm Ventures	Tiendanube (Nuvemshop)	Argentina	E-Commerce	90	Series D
General Atlantic, Mountain Nazca, Foundation Capital	Jústo	Mexico	E-Commerce	65	Series A

Source: Announced VC, tech & growth transactions tracked by EMPEA Research.

Venture investment hit a record of **USD1.1b** and venture deal count more than doubled from 2019. Investment into Q1 2021 started off strong, with deals over USD50m flowing into **logistics, transportation, AV, delivery** and **hardware**.

GAMES

With lower development costs relative to other markets and a large base of software developers, CEE-based game developers attracted international acquirers.

- **Zynga's** June 2020 USD1.8b announced acquisition of Turkey-based game developer **Peak Games**, backed by early investor Earlybird Venture Capital, kicked off a strong year for gaming startups in the region. Zynga also acquired Turkey-based **Rollic Games** in 2020.
- Tencent acquired Romania-based **Green Horse Games**, backed by 3TS, in Q1 2021.

LISTINGS

2020 was a record year for exits in CEE, with USD5b in public market activity and USD7.8b in total exit value.

- E-Commerce players **Ozon** (Russia) and **Allegro** (Poland) raised USD990m and USD2.3b respectively in their Nasdaq and Warsaw Stock Exchange listings.
- Fintech **Kaspi** (Kazakhstan) raised USD870m in its LSE listing.
- **UiPath** raised a USD750m Series F in February 2021, then raised USD1.3b in its NYSE listing in April.

CROSS-BORDER

- Unlike in regions where a handful of players participated in a large number of deals, VC investment in CEE was spread over a broad investor base.
- Startups with deep tech talent, global offerings and relatively low valuations attracted increased attention from local and global investors alike. Local investors increased participation in seed and early-stage rounds.

Investor Participation in VC Deals (%)

	2019		2020
Local (HQ in CEE)	62%	▲	75%
Global (HQ outside CEE)	60%	▼	58%
US	19%	▲	28%
UK	17%	▲	24%
Netherlands	11%	▼	8%
Finland	8%	▼	6%
Germany	15%	▼	5%

Note: 'Local' indicates investors based within the named geography (country or region). 'Global' indicates investors based outside of the market.

Source: EMPEA. Data as of 31 December 2020.

2020 MOST ACTIVE VCS

Change Ventures, Revo Capital, Eleven Ventures, Early Game Ventures

2020 RECORDS

Seed investment
(USD83m) & **deals** (46)
Early-stage investment
(USD313m) & **deals** (46)

2020 TOP SECTORS

	Robotics	USD225m	1 deals
	Legaltech	USD148m	3 deals
	Edtech	USD93m	8 deals
	AI/ML	USD63m	6 deals
	Fintech	USD54m	16 deals
	Media/Games/Entertainment	USD45m	10 deals
	Adtech & Marketing	USD40m	9 deals

VC 2020 Top Investments

Investors	Company	HQ	Sector	Value (USDm)	Round
Wellington Management, Tiger Global, Tencent, Sequoia Capital, Madrona Venture Group, IVP, Dragoneer, Coatue, Alkeon Capital Management, Accel Partners	UiPath	Romania	Robotics	225	Series E
D1 Capital, Darsana Capital, Naya Capital Management	Bolt (Taxify)	Estonia	Transportation/Mobility	291	Raised over two rounds
Sber	Legium.io	Russia	Legaltech	142	
Runa Capital, Prosus Ventures, Manta Ray, Learn Capital, General Catalyst	Brainly	Poland	Edtech	80	Series D
Bessemer Venture Partners	Hyper-science	Bulgaria	AI/ML	60	Series C

Source: EMPEA VC Data.

Q1 2021 Key Transactions

Investors	Company	HQ	Sector	Value (USDm)	Round
Alkeon Capital, Coatue, Altimeter Capital, Dragoneer, IVP, Sequoia Capital, Tiger Global, T. Rowe Price	UiPath	Romania	Robotics	750	Series F
Sequoia Capital, Tiger Global, Crankstart, Base Partners, Goodwater Capital, Esas, Fiba, Revo	Getir	Turkey	Logistics	428	Series B&C
Partech, Index Ventures, Quadrille Capital, ERBD, J&T Banka, R2G, Enern	Rohlik	Czech Republic	Food/Grocery Delivery, Restaurants & Cloud Kitchens	230	
Cat Rock Capital, Sprints Capital, OpenOcean, Piton Capital, VNV Global, Manta Ray, Enern	Booksy	Poland	CRM/Sales	70	Series C
Germany's Federal Ministry for Economic Affairs and Energy, the Free State of Saxony	Skeleton Technologies	Estonia	Hardware	61	
Menlo Ventures, GSV Ventures, Learn Capital, Goodwater Capital, Cherubic Ventures	Photomath	Croatia	Edtech	23	Series B
Winter Capital Partners, Russia-China Technology Investment Fund	Algorithmics	Russia	Edtech	10	Series A

Source: Announced VC, tech & growth transactions tracked by EMPEA Research.

Venture investment ticked up to **USD245m** as investors focused on **fintech** solutions across the spectrum, **e-commerce** and **cloud kitchens**.

SHARIA-COMPLIANT LENDING

Fintechs attracted funding to provide Sharia-compliant lending services to populations underserved by traditional banking offerings.

- In 2020, New York-based Islamic investment platform **Wahed**, with clients in ~130 countries, raised USD25m led by Saudi Aramco's venture capital arm.
- In Q1 2021, Saudia Arabia-based **Lendo** raised a USD7.2m Series A, UAE-based **Flexxpay** raised a USD3m pre-Series A and Saudia Arabia-based **Raqamyah** raised a USD2.3m pre-Series A.

VENTURE DEBT

Still a nascent strategy in the Middle East, venture debt emerged to provide non-dilutive capital for several startups.

- Partners for Growth completed the first recorded venture debt investment in the region through its USD10m deal for on-demand trucking aggregator **TruKker**.
- In 2021, SHUAA Partners arranged and led a USD50m Sharia-compliant financing package for UAE-based agtech startup **Pure Harvest Smart Farms**.

Investor Participation in VC Deals (%)			
	2019		2020
Local (HQ in Middle East)	82%	▲	94%
Global (HQ outside Middle East)	63%	▼	58%
US	48%	▶	48%
Germany	4%	▲	12%
China	9%	▶	10%
Singapore	2%	▲	8%
UK	5%	▶	4%

Note: 'Local' indicates investors based within the named geography (country or region). 'Global' indicates investors based outside of the market.

Source: EMPEA. Data as of 31 December 2020.

2020 MOST ACTIVE VCS

500, Global Ventures, Wamda, Middle East Venture Partners

2020 RECORDS

Seed investment (USD26m) & **deals** (21)
Early-stage investment (190m)

2020 TOP SECTORS

	Food/Grocery Delivery, Restaurants & Cloud Kitchens	USD71m	5 deals
	Fintech	USD52m	9 deals
	Logistics	USD50m	6 deals
	E-Commerce	USD41m	9 deals
	Media/Games/Entertainment	USD12m	6 deals

EXITS

Several blockbuster exits in 2020-Q1 2021 highlighted the growing attraction of global strategic and retail investors to local startups.

- Wamda, BECO Capital, Lumia Capital and others exited **Careem** (UAE) through a USD3.1b sale to **Uber** in early 2020.
- VentureFriends and Jabbar Internet exited **InstaShop** (UAE) through a USD360m sale to **DeliveryHero**.
- Apis will exit payments processor **Tutuka** (UAE) through a sale to **Salt Pay**.
- Lebanon-based music streaming platform **Anghami**, backed by Middle East Venture Partners and Samena Capital, will merge with Nasdaq-listed SPAC Vistas Media Acquisition Company, which raised USD100m in its 2020 listing.

CROSS-BORDER

- An increasing number of local investors are fueling growth in Middle East startup ecosystems.
- Locally based Nuwa Capital, Silicon Badia and Propeller reached first closes for new vehicles, and 500 launched its first MENA accelerator in partnership with Sanabil Investments.

VC 2020 Top Investments

Investors	Company	HQ	Sector	Value (USDm)	Round
Wilshire Lane Partners, Rise Capital, Reshape, MSA Capital, Lumia Capital, Knollwood Investment Advisory, Global Ventures, GIC, CE-Ventures, BECO Capital	Kitopi	UAE	Food/Grocery Delivery, Restaurants & Cloud Kitchens	60	Series B
Arbor Ventures, Mubadala, Global Founders Capital, Global Ventures, Saudi Technology Ventures, JIMCO, AB Accelerator, HOF Capital, VentureSouq, RAED Ventures, Outliers Venture Capital, MSA Capital	Tabby.ai	UAE	Fintech	23	Series A
Watar Partners, Wamda, Saudi Venture Capital Investment Company, Saudi Technology Ventures, Middle East Venture Partners, Impact46	Nana Direct	Saudi Arabia	E-Commerce	18	Series B
Tamer Group, CMA CGM, BECO Capital	Fetchr	UAE	Logistics	15	Series C
Partners for Growth	TruKKer	UAE	Logistics	10	Venture Debt
Middle East Venture Partners	Lyve (One Click)	UAE	Logistics	10	

Source: EMPEA VC Data.

Q1 2021 Key Transactions

Investors	Company	HQ	Sector	Value (USDm)	Round
Mohamed Yousuf Naghi Group, AlTouq Group, Derayah Ventures, B&Y Venture Partners, AbdulMohsin Al Houkair Holding Group, Nazer Group	iKcon	UAE	Food/Grocery Delivery, Restaurants & Cloud Kitchens	20	Series A
Target Global, Kingsway, CE Ventures, Entrée Capital, Zamil Investment Group, Global Ventures, Almoayed Technologies, Mad'a Investment	Tarabut Gateway	Bahrain	Fintech	13	Seed
Shorooq Partners, OTF Jasoor Ventures, VentureSouq	NymCard	UAE	Fintech	7.6	Series A
Derayah Ventures, Shorooq Partners, 500, Seedra, Impact46	Lendo	Saudi Arabia	Fintech	7.2	Series A
Anthemis Exponential Ventures, Knuru Capital, Wamda, Commercial Bank of Dubai, DIFC FinTech Fund, Accion Venture Lab, Greenhouse Capital, Hambro Perks' Oryx Fund	NOW Money	UAE	Fintech	7	
Wamda, Impact46	Hala (Halalah)	Saudi Arabia	Fintech	6.5	Series A

Source: Announced VC, tech & growth transactions tracked by EMPEA Research.

METHODOLOGY

EMPEA's venture capital (VC) investment dataset includes seed, early-stage and late stage investments with participation by blind-pool VC funds backed by institutional investors. Standalone investments by accelerators, incubators, angel investors, corporate or strategic investors and government-guidance funds are not included in current recording, but may be incorporated in subsequent releases. Investment totals reflect the total transaction value for each deal — including co-investments from institutional and strategic investors.

EMPEA's data on VC co-investments across borders identifies the participation of local or globally based

GPs in VC investments in 2020. It also identifies the most active global investors in each market, based on the headquarters of the investment firm, and how their participation shifted from 2019 to 2020. For the purposes of this analysis, venture firms managing local funds but based outside the geographies in the data table were considered 'global investors'. Notable examples include Sequoia Capital, Lightspeed and Matrix Partners (US-based), which manage China-dedicated funds, and Africa-focused investors such as DPI and Helios (UK-based). For more information on research methodology, please contact research@empea.org.

GLOBAL VC CACHE NEWSLETTER

Sign up for EMPEA's Global VC Cache, a bi-weekly newsletter covering cross-border tech transactions and innovations with cross-border applications in Africa, Asia, CEE, Latin America and the Middle East, at empea.org/vc-tech/.

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