

# Global Venture Trends - The View from Asia

*Australian Venture Capital Association  
Conference*

*Gold Coast  
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# ABN AMRO's Worldwide Private Equity Network

*A total of 18  
multinational  
teams in  
key locations  
worldwide ....*

*Over US\$2.5bn  
invested in  
more than 400  
companies .....*



# The Hong Kong Venture Capital Association

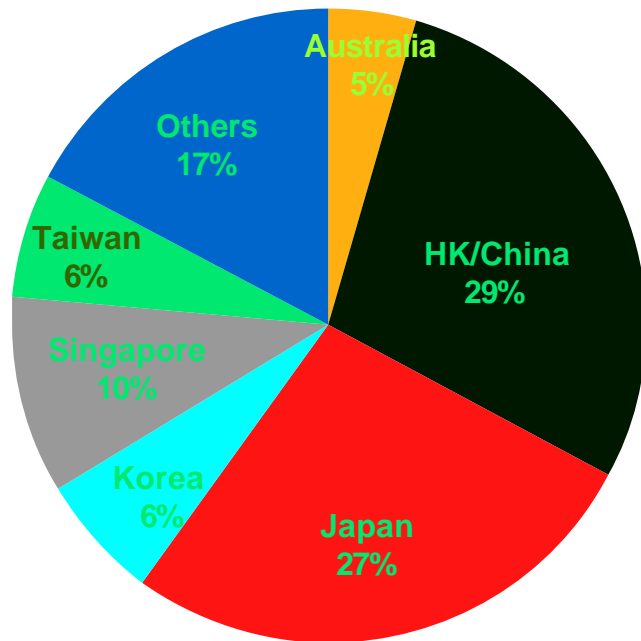
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- ◆ 150 members
- ◆ Hong Kong as a base, but most investors investing regionally; in particular Greater China
- ◆ Objectives
  - develop awareness of VC in HK
  - forum for views of the VC community
  - consultation on public policy
- ◆ Role of HKVCA in China
- ◆ Together with AVCAL one of the active venture capital associations that are working to increase Asia Pacific cooperation

# Profile of Asian Private Market

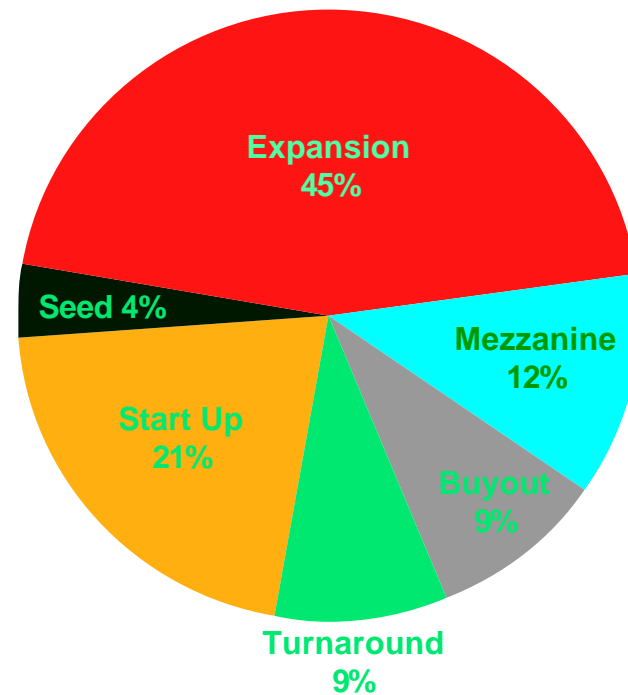
## Asian Venture Capital Pool

Total pool around US\$70 bn



Source : Guide to Asian Venture Capital 2001

## Financing Stage



# Observations from Asia - Economy

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- ◆ Recovery from weak economic environment further complicated by recent events
- ◆ China still has a capacity for growth but Japan remains a problem
- ◆ Emergence of China will have a greater impact on ASEAN than the US slow down
- ◆ China will not move from stage to stage but hit high, medium and lower manufacturing sectors all at once
- ◆ South-East Asia's options:
  - Short term : devaluation
  - Long term : focus on niche area's of excellence

# Observations from Asia - Private Equity

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- ◆ Shift in private equity investment from South-east to North-East Asia
- ◆ Japan and Korea providing size and growth opportunities to Asian private equity market
- ◆ The reality of the Greater China economy - Taiwan and Hong Kong will play an important role in managing and financing China's expanding economy
- ◆ Restructuring/Buy-outs will gain in importance
- ◆ Technology manufacturing in Asia still an expanding sector

# Interaction with Australia

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- ◆ Strong and well established links between Australian companies and the major Asian markets
- ◆ Increased interest from Asian based VC's to invest in Australia
- ◆ Transfer of Australian skill base, IP and business models to Asia and rest of the world
- ◆ Globalisation and increasingly integrated economies require a more cross-border oriented VC community - Impact on Australia?