

S A L T A G E N

VENTURES

The Chile Pacific Foundation Webinar

| Financing for Start-ups and Scale-ups: Where are the Opportunities?

**The Conditions and Trends of the Financing Landscape
for Start-ups and Scale-ups in the Asia Pacific Region**

- **Managing Partner** of Saltagen Ventures
- **Canadian Trade Representative** of Asia-Pacific Economic Cooperation appointed by Canadian Prime Minister
- **Chair** of Food Systems & Security in APEC Business Advisory Council
- **Co-chair** of Sustainability in APEC Business Advisory Council
- **Special Advisor** of Asia Business Leaders Advisory Council
- **Executive Committee Director** of Canadian Chamber of Commerce in Hong Kong
- **Member** of Hong Kong Medical & Healthcare Device Industries Association
- **Management Board Director** of Versitech Limited
- **Advisory Board Member** of Creative Destruction Labs – Global

JOSEPH
FUNG

ABOUT SALTAGEN VENTURES

Founded in 2017, Saltagen Ventures is an early-stage venture capital firm that invests in **science and technology based** startups with strong defensibility and patentable technology.

Saltagen has built unique relationships in two major markets of the world - North America and Asia. We have carved out an investment niche by successfully focusing on companies in the fast-growing disruptive technologies in the **bioscience and sustainability sectors** that scale across the Pacific.

Strong local partnerships and ground presence in Canada and other APEC regions allow Saltagen to identify exclusive high potential deals and grant startup founders a diversity of international partners and networks, providing them with knowledge of both sides of the Pacific and choice to scale their businesses across the Pacific to the markets of Asia.

CORE INVESTMENT FOCUS

Food Security

Bioscience Technology

Alternative Energy

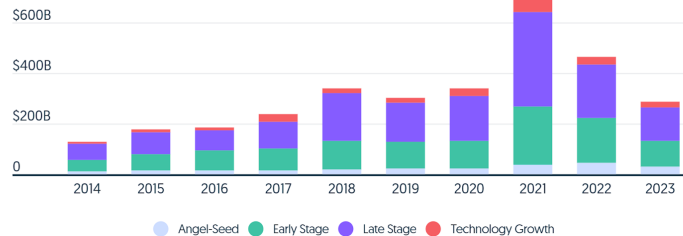
Biomedical Technology

Carbon Mitigation

2023 RECORDED A SLOWER YEAR FOR GLOBAL VENTURE ACROSS ALL FUNDING STAGE

Stage/Year (\$B)	2021	2022	2023
Angel - Seed	39.1	43.9	20.7
Early Stage (Series A and B)	229.3	177.8	131.6
Late Stage (Series C – E)	372.9	211.2	103
Tech Growth	52.8	29.4	30.1
Total	694	462 (-34%)	285 (-38%)

Global Venture Dollar Volume By Annum



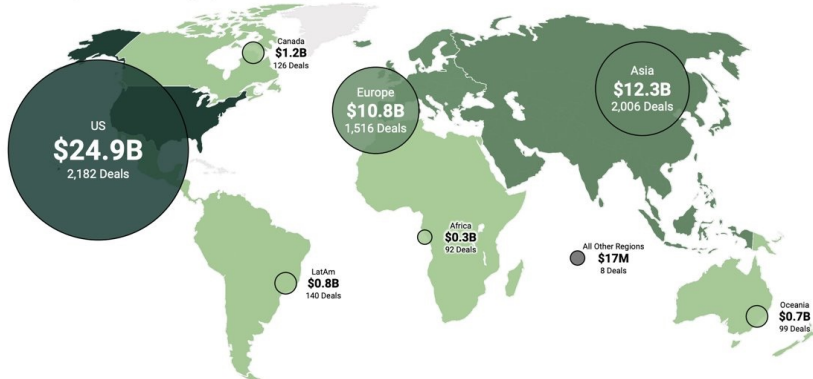
- 2023 is the lowest for venture funding since 2018
- Cutbacks across all stages
- Main reasons:
 - Reduced investor risk appetites (higher interest rates, collapse of SVB, etc.)
 - Decline in exit opportunities (decrease in M&A activity; lower expected value on exits)

Source: Crunchbase, 2023

US CONTINUES TO HAVE THE MOST ACTIVE GLOBAL FUNDING ENVIRONMENT, WITH ASIA FOLLOWING CLOSELY BEHIND

State of Venture | Global Trends | Investment Trends

Funding & deals by global region in Q4'23

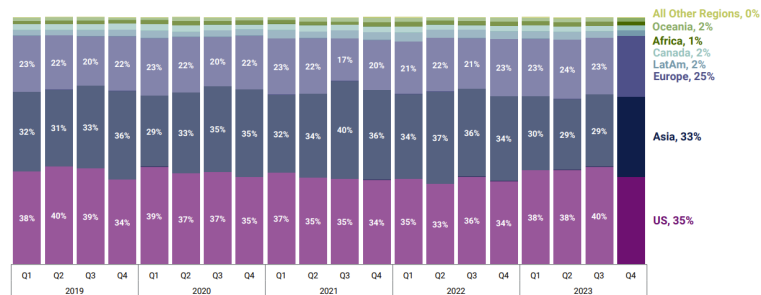


CBINSIGHTS

9

State of Venture | Global Trends | Investment Trends

Percent of quarterly deals by global region



CBINSIGHTS

10

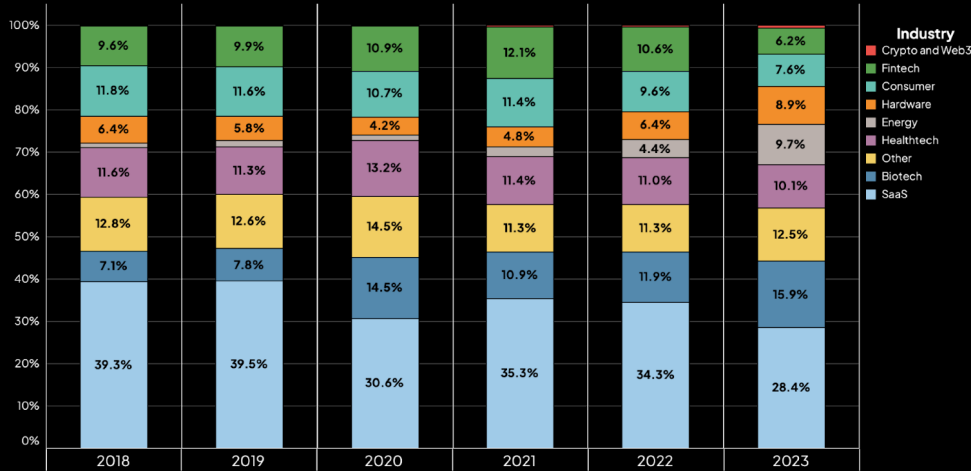
- While US and Asia have a similar number of deals, the total amount raised for US ventures doubled that of Asia. It is believed that some Asian ventures are in earlier stages.
- With Asian markets continuing to grow, we expect the funding raised by Asian ventures will continue to rise.

Source: CB Insights, 2023

BIOTECH AND ENERGY TECH BOOM

Biotech's share of VC raised hits a recent high

Percentage of total capital raised by sector | 2018–2023



©2023 eShares Inc., d/b/a Carta Inc. ("Carta"). All rights reserved.

carta

- While the SaaS sector still raised the most amount from VC, we see booms from Biotech, Energy and Clean tech.
- With the increasing focus on sustainability and net-zero targets set by government bodies, we expect higher growth in Energy and Clean tech in the next 5 years.

Source: Carta, 2023

KEY TRENDS AND STRATEGIES GOING FORWARD

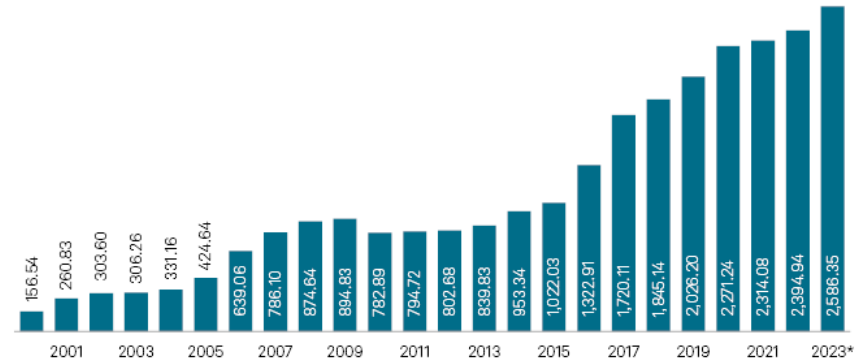
I. Dry powder hits a record high in 2023

- Means capital is always available; Good startups and investment targets are always needed.
- While VCs are more cautious about making investments, the sources of deals become important.
- Good networking with existing and potential investors becomes key to fundraising.
- Traits of great startups are
 - 1) Regular communications on progress with investors;
 - 2) Delivery on milestones set

II. The technology, energy, and healthcare sectors are expected to remain attractive for private equity and venture capital

- The Canadian venture capital market has been robust, with a particular focus on technology-based businesses in sectors like biotech, cleantech, AI and SaaS.

Global private equity dry powder trend, 2000-2023 (\$B)



Data compiled Dec. 1, 2023.

* Year to date through Dec. 1, 2023.

Analysis includes aggregate dry powder of global private equity funds with vintage year between 2000 and 2023.

Dry powder data is supplemented by Preqin.

Source: S&P Global Market Intelligence.

© 2023 S&P Global.

ARE YOU WELL POSITIONED TO RIDE ON THIS OPPORTUNITIES

More companies are tapping into the APEC region for global expansion while local businesses are booming parallelly.

We screened an average of 1,500 companies from a pool of 10,000+ startups each year.

- ✓ Strong defensibility
- ✓ High-growth potential
- ✓ Strong fundamental technology research capabilities
- ✓ Globally scalable

Choosing the right VC partner:

Fundings

Partnership
Network

Operational
Support

Advice from
Subject Matter
Experts

S A L

T A

G E N

VENTURES

Cultivating abrupt
evolutionary change

THANK YOU



www.saltagen.com



@saltagen



@Saltagen Ventures

