

ARCAP

Asociación Argentina de
Capital Privado,
Emprendedor y Semilla

The Argentine Association of Private Equity, Venture and Seed Capital (ARCAP) is a non-profit organization aimed at promoting the development of the Private Equity Industry in Argentina.

ARCAP Structure

President
Diego González Bravo



**Private Equity
Vice President**
Alejandro Sorgentini



**Venture Capital
Vice President**
Hernán Kazah



**Seed Capital
Vice President**
Francisco Coronel



ARCAP Structure

Executive Committee

Advisory Committee

Verticals :

Private Equity

Venture Capital

Seed Capital

Groups :

Corporate Venture Capital

Family Offices

Commissions :

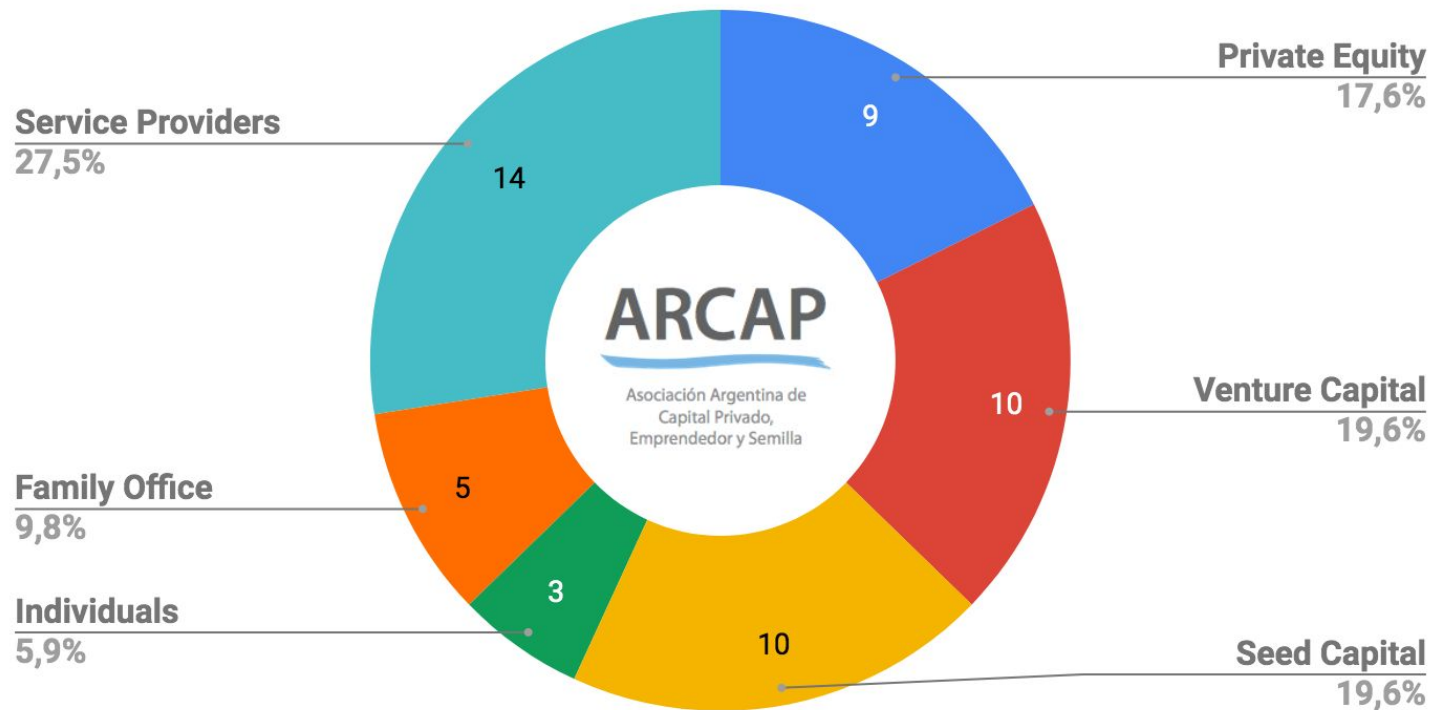
**Research
Studies
Commission**

**Public Policy
Commission**

**Education &
Events
Commission**

**Investment
FORUM
Commission**

ARCAP represents 52 MEMBERS

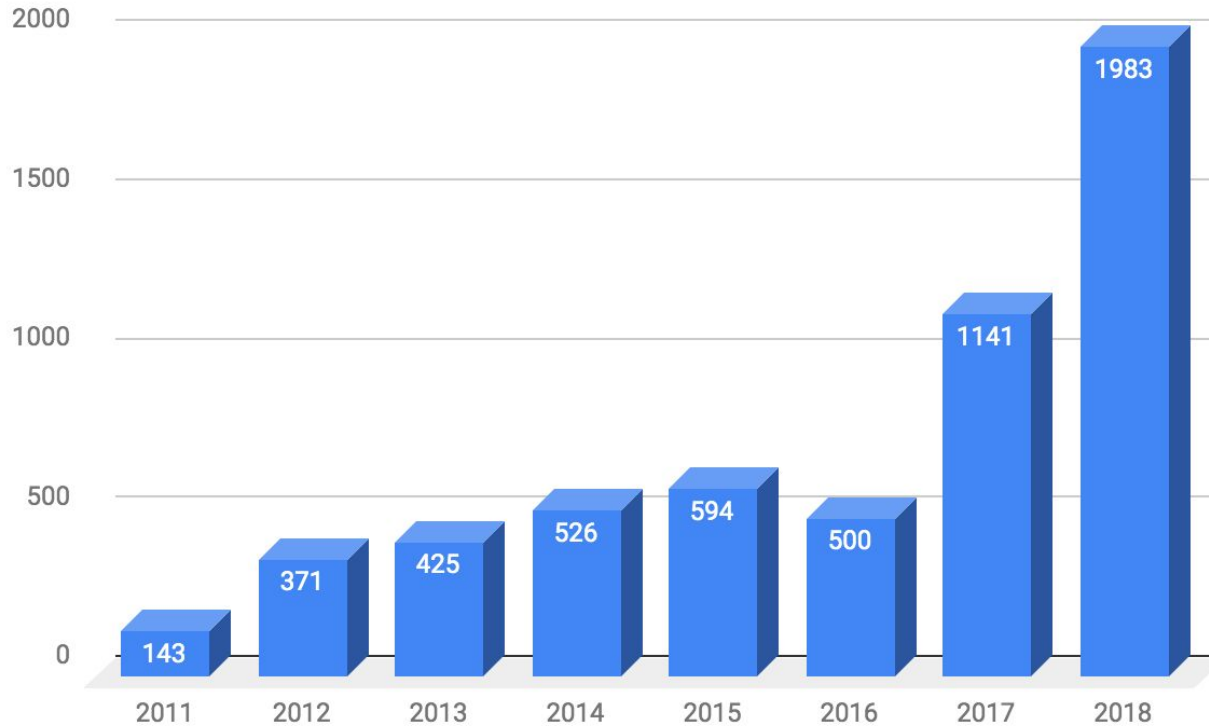


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LATAM VC Ecosystem






LATAM: Venture Capital Investments (In USD Million)



LAVCA - Global Investors Commitments By Latin American Countries (PE+VC)

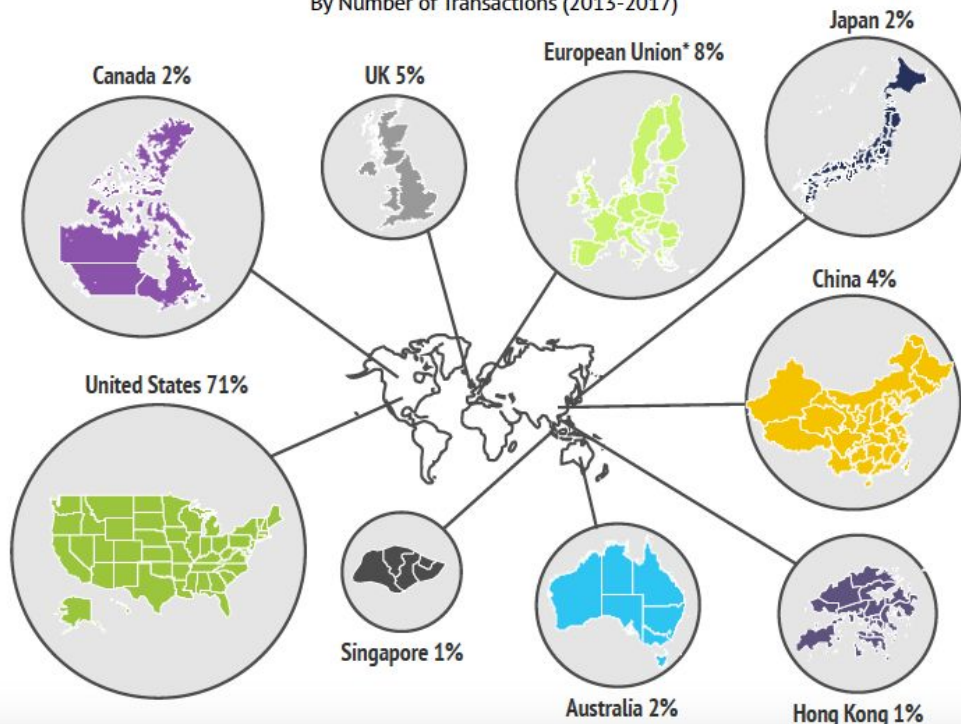
Global Investors Commitments By Latin American Countries

By number of transactions (2013-2017)

	Brasil	52%
	México	17%
	Argentina	11%
	Colombia	7%
	Perú	4%
	Chile	2%

Global Investors by HQ

By Number of Transactions (2013-2017)



Most Active Global Investors (By Number of Transactions (2013-2017))



JAPAN MARCH 7, 2019 / 9:20 AM / A MONTH AGO

SoftBank extends tech reach with \$5 billion LatAm fund

Sam Nussey

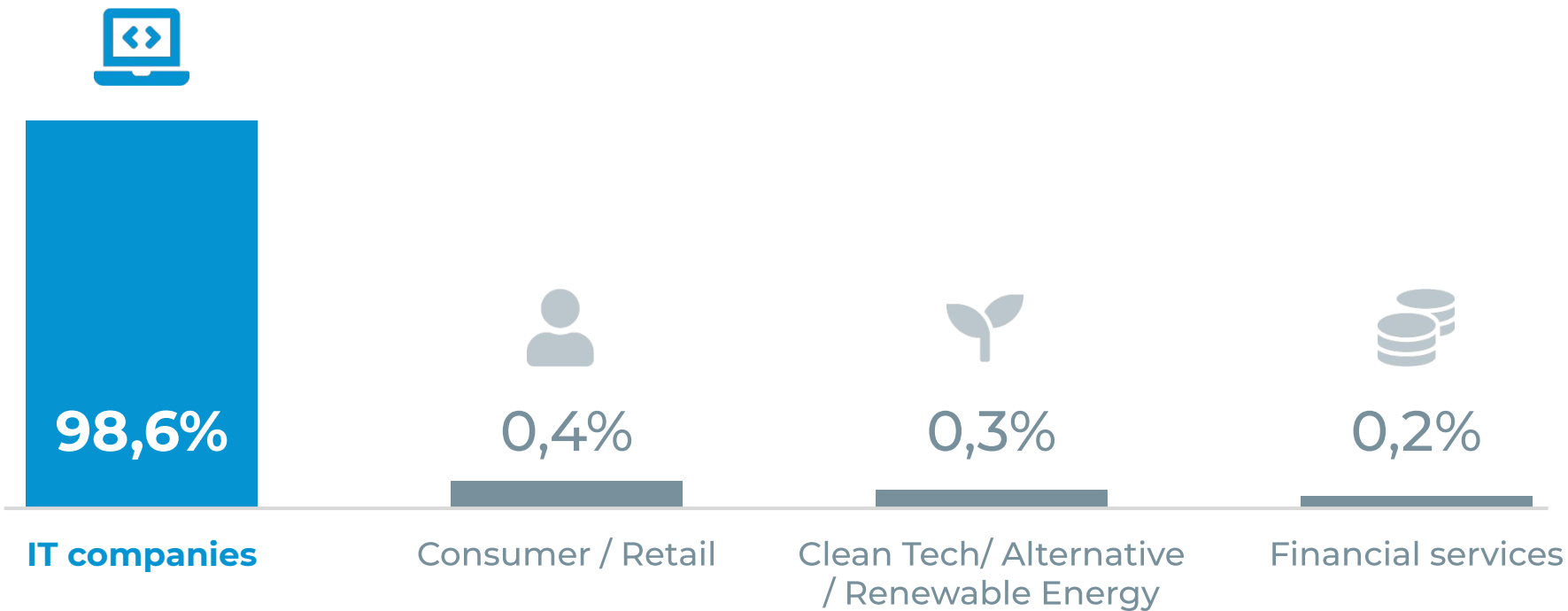
3 MIN READ

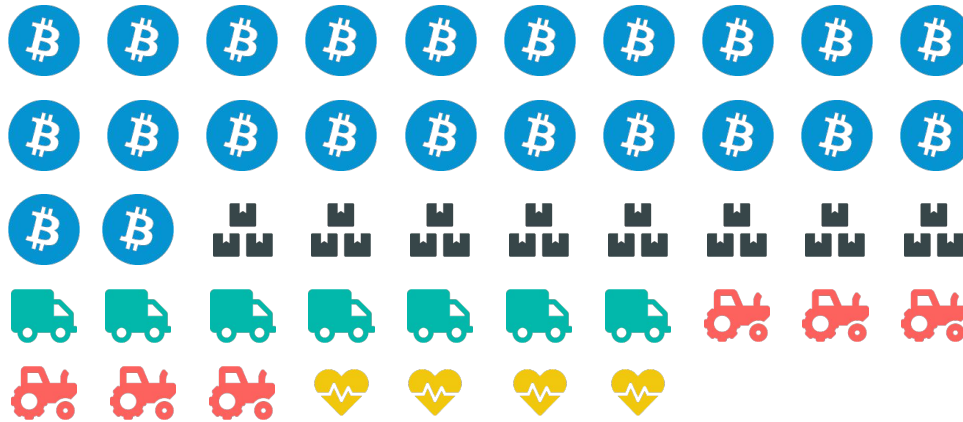


(Reuters) - Japan's SoftBank Group is launching a \$5 billion fund to invest in technology companies in Latin America, it said on Thursday, ramping up its tech ambitions beyond its huge Vision Fund.



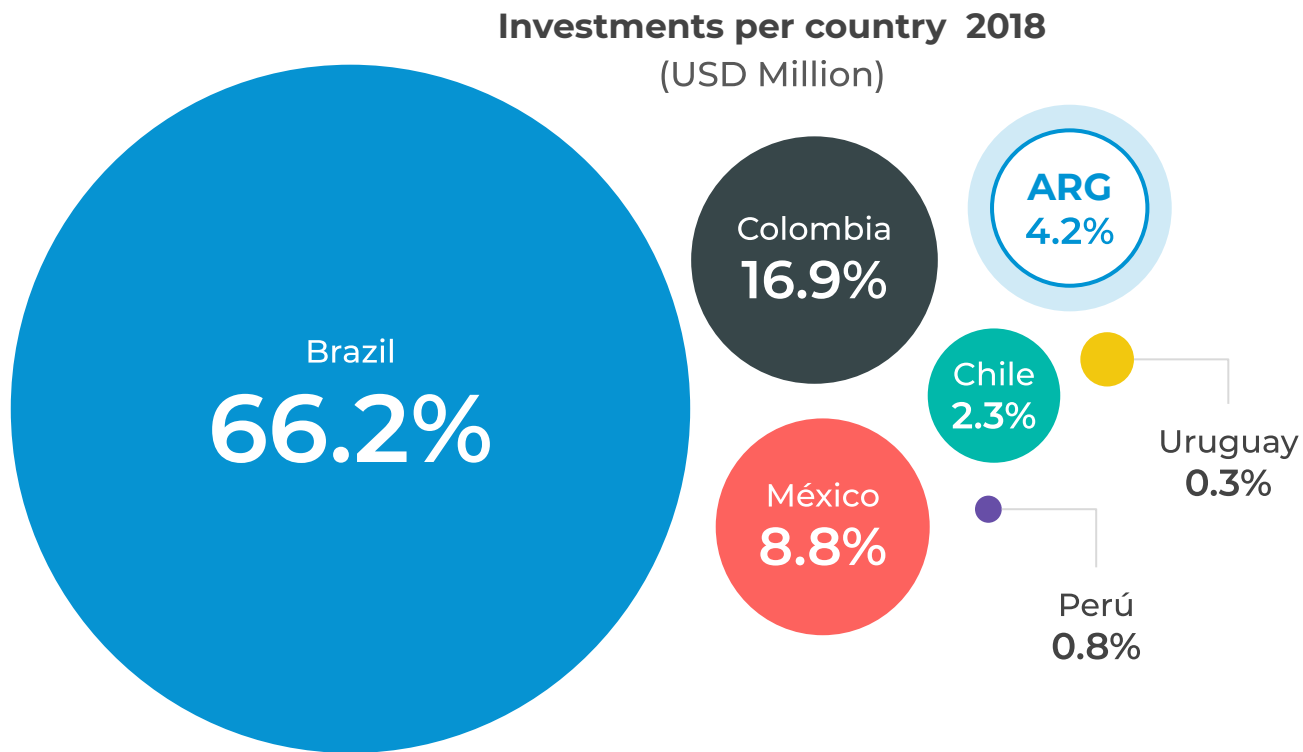
LAVCA – Global investor preferences in LATAM (2018) - USD deals





- 22% Fintech
- 8,2% Logistics & Distribution
- 6,7% Transportation
- 6% Agtech
- 4,5% Biotech / Healthtech

Venture Capital Investments in LATAM - 2018



LAVCA – LATAM Unicorns (startup company that reaches a \$1 billion dollar market value)

Argentina 2nd country generating Unicorns:



Brazil

7



Argentina

6



México

2



Chile

1

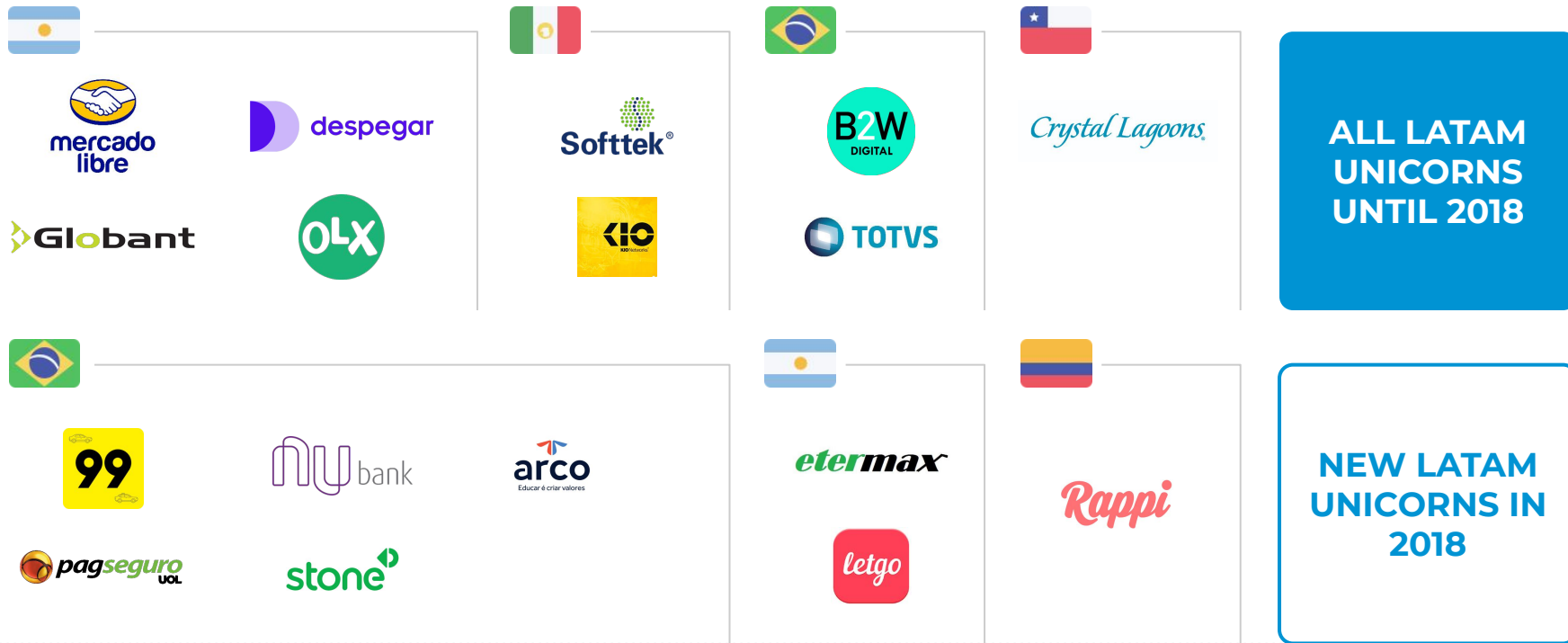


Colombia

1

LAVCA – LATAM Unicorns (startup company that reaches a \$1 billion dollar market value)

Latam unicorns are growing exponentially:



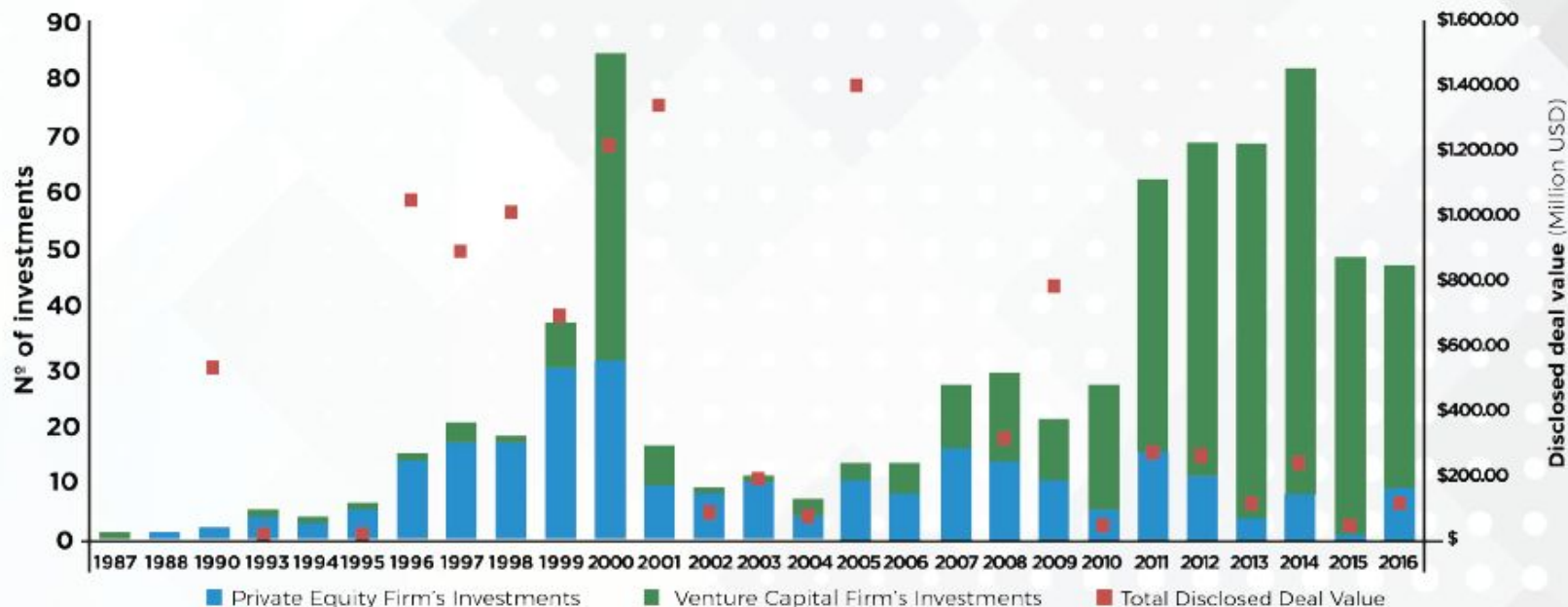
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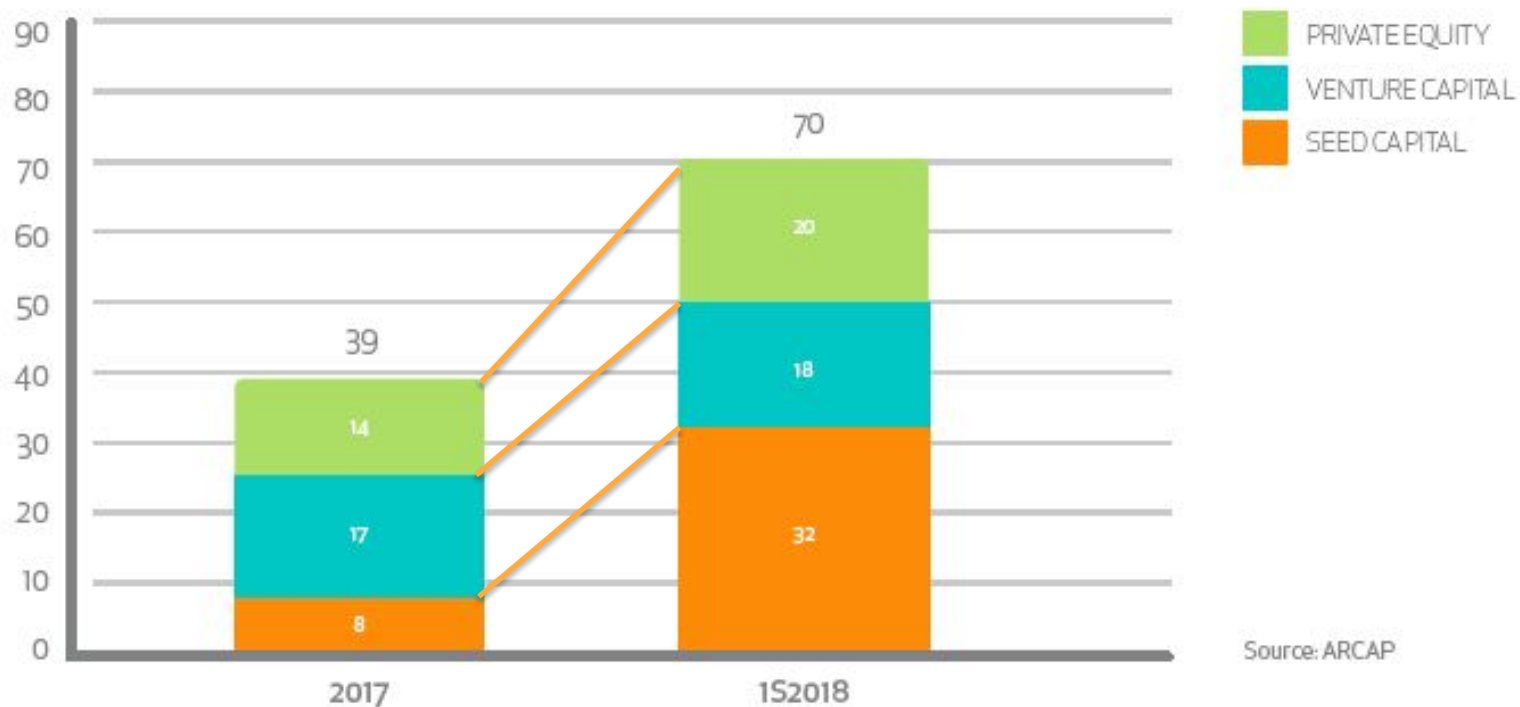
ARGENTINA Venture Capital

Argentina: 3 waves of Private Capital

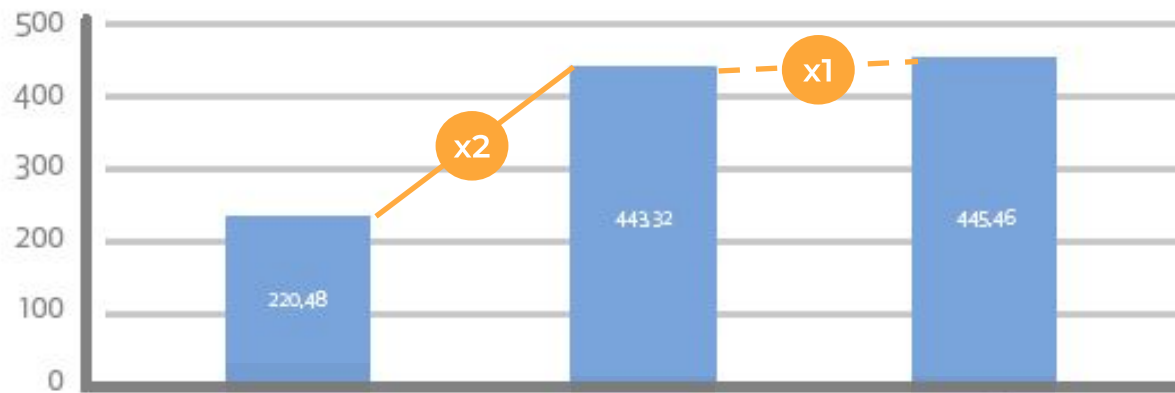
Private Capital Deal Volume & Deal Value (Million USD) in Argentina (1987-2016)



Argentina: GPs growth



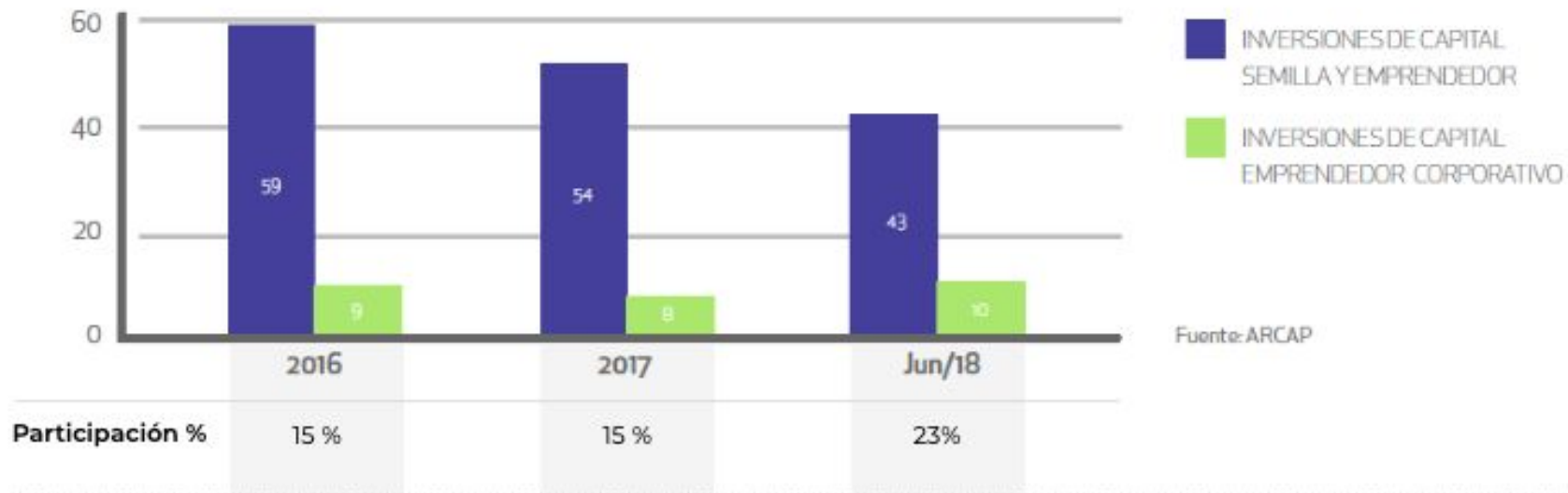
Argentina: Amounts of Private Investment Transactions (2016-1S2018) in USD million



Source: ARCAP

	2016	2017	Jun/18
Seed Capital	9,6	7,7	4.8
Venture Capital	27,9	126,6	111.3
Private Equity	183,0	309,0	330,0

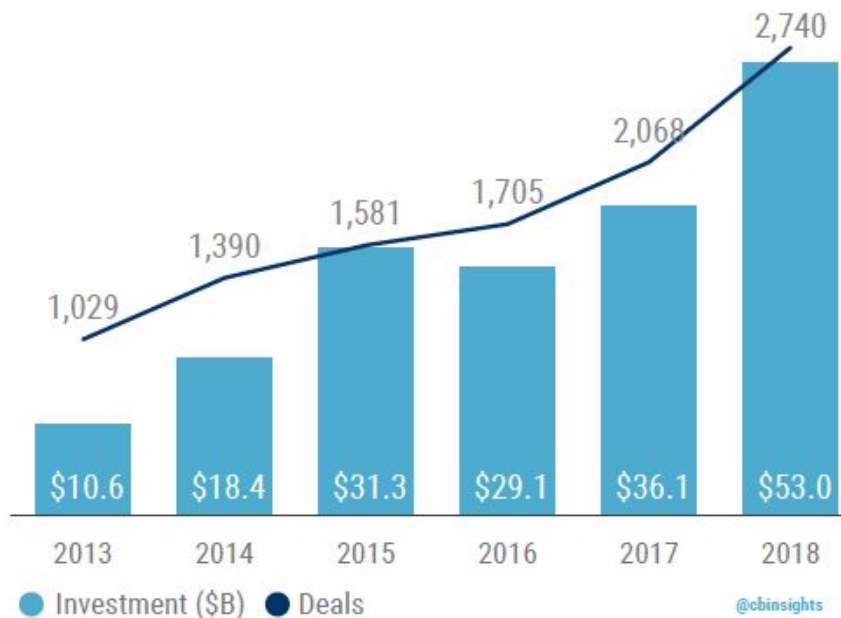
Argentina: Corporate Venture Capital versus VC+Seed activity



Global Corporate Venture Capital activity

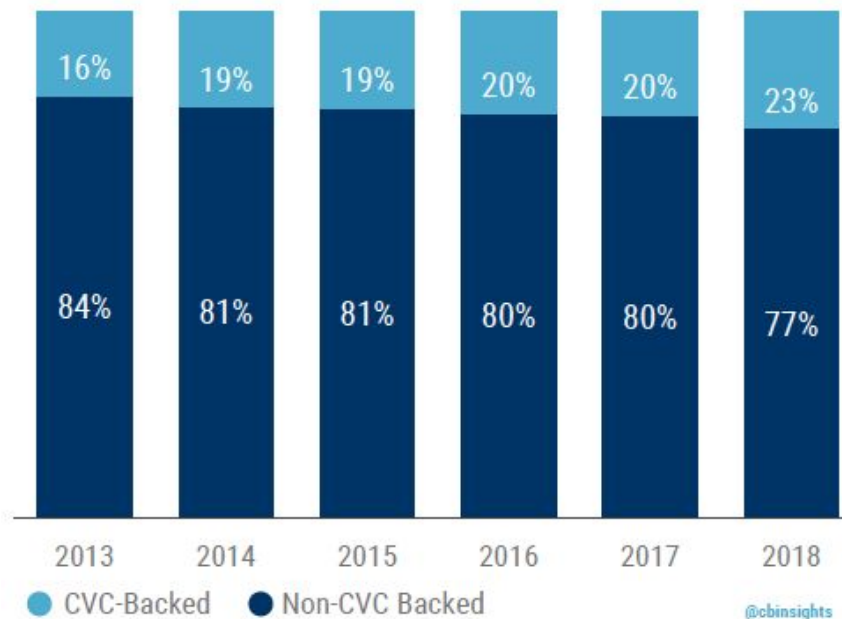
Global CVC activity accelerates to all-time highs

Annual global disclosed CVC deals and funding, 2013 – 2018



CVC contribution to the overall VC ecosystem grows

CVC participation in VC-backed deals, 2013 – 2018



Argentine Highlights

1. One of the most evolved and established ecosystems in the region

Argentina is 2nd Latam Unicorn generator after Brazil

2. One of the most underinvested ecosystems in the world

In terms of investment in startups per capita

3. New legal framework and Tax Benefits

Entrepreneurs Law and new VC programs

4. Exceptional source of startup deal flow

Second in the region generating the most valuable tech companies (tecnolatinas)

5. Highly developed in science and technology

Great basic science and engineering talent, ready to be transformed into applied tech

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Appendix

Success Stories from Argentina

Mercado Libre (Meli)



Founded in 1999. The **largest e-commerce and payment ecosystem in Latin America**.

Today, the company operates in 18 countries and it has more than 4000 employees and 174 million users in Latin America.

Its market capitalization is worth more than 10 billion USD, and recently MELI has displaced Yahoo! from the NASDAQ 100 index, an index comprised by the 100 largest, most actively traded companies listed in the **NASDAQ stock exchange**.

Globant



Founded in 2003. Globant is a **leading company** in the creation of **innovative software products** that appeal to global audiences.

In 2014 the company became the first Latin American IT company to be listed in the **New York Stock Exchange**, raising nearly 59 million USD.

Today, the firm has 40 development centers and more than 6.000 professionals working across 14 countries. In the second quarter of 2017, Globant's revenue reached a record of 99.6 million USD, accounting for a 24.6% annual growth.

Success Stories from Argentina

Despegar



Founded in 1999, today is the **leading online travel company** in Latin America.

In 2006, Tiger Global became the majority shareholder in the company.

In 2012, with 21 million USD raised, Despegar closed its second VC round. In September 2017, 18 years after its launch,

In September 2017 Despegar went public in the **New York Stock Exchange**. The company raised 332 million. Its market value is approximately 1.8 billion.

OLX



The very inception of OLX was already characterized by unconventional thinking as its operation started in India instead of Argentina. Most entrepreneurs decide to launch their company in the place they know best, their home country. Only four and a half years later, they added Argentina to the list of countries where they operate.

The **classifieds platform** helps people to progress in emerging markets, as users can easily monetize their goods and services, and by doing so, increase their incomes.

Today, the company that was founded in 2006, has 25 offices and operates in 45 countries. With 37 billion page views and 54 million listings per month, OLX is the number one shopping app in 22 countries.

Success Stories from Argentina

Etermax

etermax

Argentinian company independently **developing social mobile games**. Their goal is to revolutionize education through technology, making it more inclusive, social and fun. Etermax develop the best games to keep captivating audience with new ways to play, learn and connect.

Since Aworded's launch in 2011, their games have been highly ranked in Latin America, the United States and over fifty countries. Trivia Crack is recognized and played worldwide, and Etermax brand's licensed products are available for sale in the top international marketplaces.

Letgo










letgo

Letgo is a company that provides a website and app that allows **users to buy from, sell to and chat with others locally**. The products launched in 2015.

The company raised US\$100 million in 2015, one of the five largest first rounds of venture capital financing since 2008. Following a merger in May 2016 with Wallapop, a competitor with a reported valuation of about \$570 million, the company raised an additional \$100 million.

As of September 2017 the company valuation was more than \$1 billion. By that time, it had raised \$375 million in total capital. In August 2018, it raised \$500 million from Naspers.

Highlighted VC transactions in Argentina (2016-2018)

 <p>VU Security</p> <p>Series A USD 4,3MM by INICIA & NXTP Labs</p>	 <p>USD 3MM (2017) USD 5MM (2018) by IFC y NXTP Labs & BID Invest</p>	 <p>USD 27MM Series B by Fondo Pitanga, Crunchfund & Tencent Holding</p>	 <p>USD 20MM Serie B. The Rise Fund & Kaszek Ventures</p>	
 <p>Series B USD 7,0MM by Elevar Equity, NXTP Labs, Kaszek, Ignia & FJ Labs</p>	 <p>Seed Round: USD 3,5MM by Bitman & Anthony Di Ioro</p>	 <p>USD 3MM by Mercado Libre Fund, NxtP Labs & Alaya</p>	 <p>USD 55MM Series D Sapphire Ventures & otros</p>	 <p>USD 31MM Series C by LLR Partners</p>

Thank you

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