

Leading Participant in India's Venture Growth Story

Mid-stage investor in tech enabled businesses

Aug 2020

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Fund Overview

WHO WE ARE



- A limited life \$120M venture fund
- Investing into tech and tech enabled businesses from India
- Focused on mid-stage venture investments (Series B and C rounds), as lead or co-investor



- Started deploying from early 2016 using anchor investor's seed commitment
- Completed first close of fund in late 2018, expected final close by Dec 2020
- 8 year fund, currently into year 2
- Invested into 11 companies till date, completed two exits
- 3 India-based investment partners with 20+ years of combined venture investment experience



FUND HIGHLIGHTS



Fund Inception: Oct 2015
Start of Deployment: Feb 2016



Investible Capital Deployed: \$66M



First Close: Oct 2018
Target Final Close: Dec 2020



Current Portfolio IRR: 21.6%



Portfolio Companies: 11*
Target Companies: 15



Current MOIC: 1.53x
Current DPI: 0.22 x

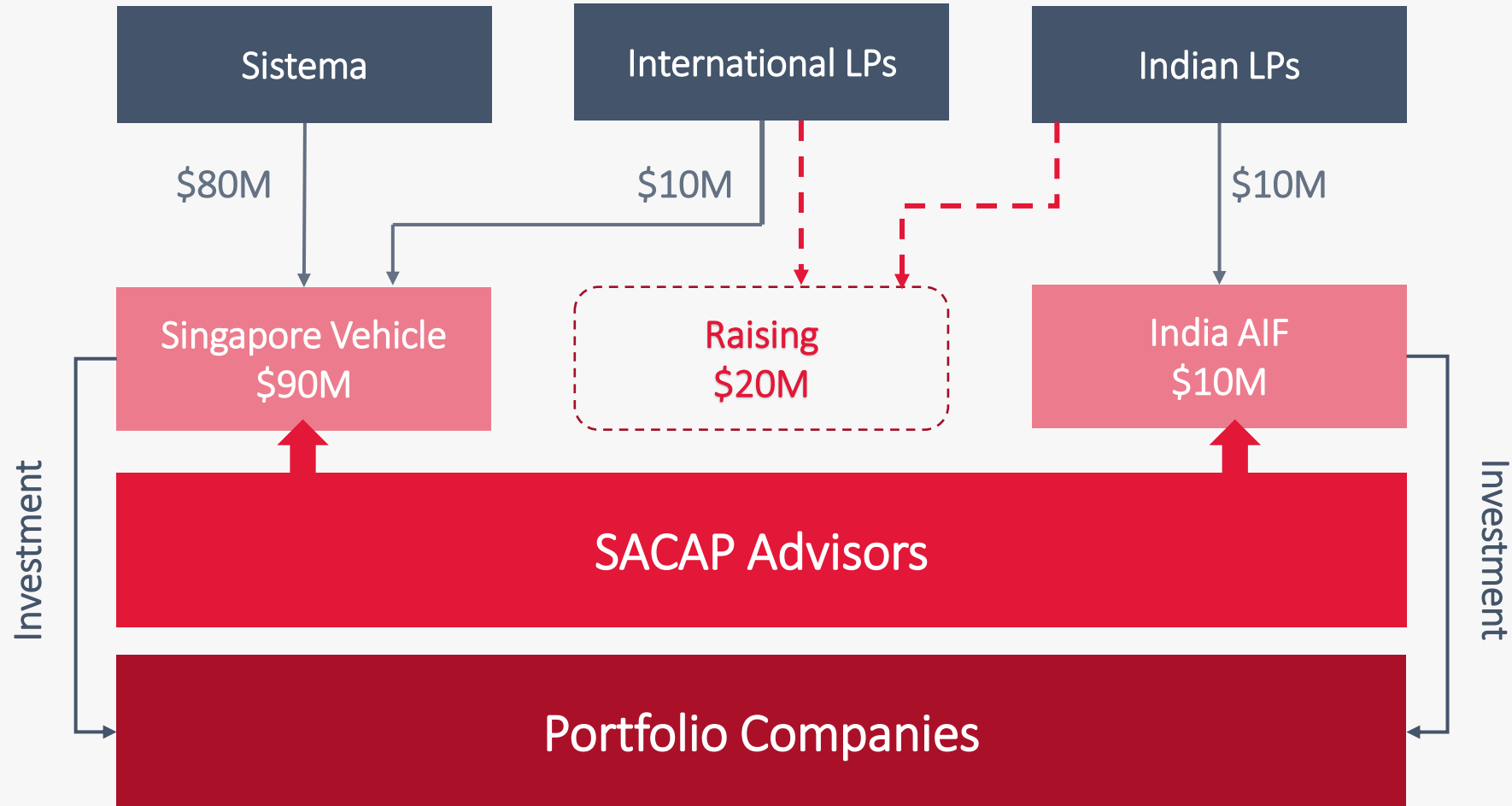


Fund Life: Oct 2026
Optional Extension: 1+1



Wtd. Avg. Portfolio Age: 2 Years
Exits: 2

FUND STRUCTURE



CAPITAL STATUS



Overall Fund (\$M)	
Gross total fund size	120.0
Confirmed Commitments	100.0
Raising	20.0
Management Fee (\$M)	
Management Fee	19.2
Fee drawn till date	4.6
To be drawn for the rest of fund life	14.6
Investible Capital (\$M)	
Primary	54.0
Primary Deployed	40.0
Primary Remaining	14.0
Follow-on	46.8
Follow-on Deployed	26.0
Follow-on Remaining	20.8

INVESTMENT TEAM



Andrey Terebenin
Managing Partner

Functions: Leadership, IR, PR
Experience: 32 Years; M&A/ IPO/Investments
Past exp.: JSFC Sistema, MTS, Moody's



Sumit Jain
Senior Partner

Functions: Sourcing, Execution
Experience.: 15 years; M&A/ Investments
Past exp.: Kalaari Capital, HSBC, BG Group



Dhruv Kapoor
Partner

Functions: Sourcing, Execution
Experience: 17 years; Consultancy, Investments
Past exp.: Helion, ABN AMRO, McKinsey & Company



Vivan Sehgal

Marketing & Operations Director
Functions: BD, Ops/Analysis
Experience: 13 years, Fundraising/ Investments/Marketing/PR
Past exp.: JSFC Sistema, MTS



Abhilasha Mishra
Associate

Functions: Sourcing, Research, Portfolio Mgmt
Experience: 3 years; Investments
Past exp.: Brand Capital, IIM Ahmedabad



Akshat Bagla
Analyst

Functions: Research, Content
Experience: 3 years
Past exp.: Planning Commission, Rothschild

PARTNER INVESTMENT EXPERIENCE



Current Boards

Past Boards

- Qwiksilver (Exited)
- Netmeds (Exited)
- Dun & Bradstreet CIS (exited)
- Detsky Mir (partially exited)
- Concept Club
- Binnopharm

- Simplilearn
- Robosoft
- Mettl (Exited)
- Industrybuying
- Edge Networks
- Vakilsearch
- Scoopwhoop
- Hiver
- Vernacular.ai
- Instamojo
- Labelcorp
- Haptik(Exited)

- Wooplr
- Azure Power
- MoEngage
- RailYatri
- CrownIT



Portfolio

BREAK-OUT COMPANIES



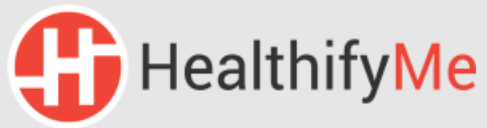
Entry Valuation	\$30M
Current EV:	\$300M



Entry Valuation	\$161M
Current EV:	\$390M



Entry Valuation	\$113M
Current EV:	\$260M



Entry Valuation	\$43M
Current EV:	\$94M



Entry Valuation	\$194M
Current EV:	\$828M

PORTFOLIO SUMMARY



INVESTMENTS

BUSINESS DESCRIPTION

INVESTMENT DATE

SELECT CO-INVESTORS



Speech Recognition, voice biometrics & virtual assistant solutions

June 19



EMI based purchase and personal loans platform

Sept 18

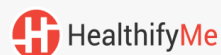


India's leading cloud kitchen company

Aug 18



LIGHTBOX



India's leading mobile health and fitness platform

Feb 18



India's leading e-pharmacy company

Oct 17*



India's leading digital SME lending company

Aug 17



SE Asia focused CRM provider for F&B vertical

Aug 17



India's leading full stack online meat gourmet brand

Mar 17



Gift card solutions provider for retail and corporate clients

July 16*



Policy and encryption based information right management solutions

Feb 16



PORTFOLIO ANALYTICS



Average Primary Cheque: \$3.7M
Range of First Cheque: \$2-5M



Total Primary Invested: \$40M



Series B Investments: 7 (64%)
Series C Investments: 4 (36%)



Total follow-on invested: \$26M



Investment Pace: 3-4 deals/yr



External follow-ons: 6 (54%)



Average starting ownership: 6.5%



Negative Return: 1 (9%)



Investment Approach

INVESTMENT PHILOSOPHY



B



C



- ✓ Series B/C Investments
- ✓ Invest in #1 or #2
- ✓ Strong Co-Investor Collaboration
- ✓ Deep Investing in Winners

- ✓ Unicorn Potential
- ✓ Strong Product Market Fit
- ✓ Technology Leverage
- ✓ Established Unit Economics

- ✓ Compulsory Board Participation
- ✓ 1:1 Primary Reserve Ratio

KEY SECTORS OF FOCUS



CONSUMER TECH

- ▶ Vertical e-commerce
- ▶ Travel tech & transportation
- ▶ FinTech
- ▶ Digital health & wellness
- ▶ EdTech

Differentiated business models

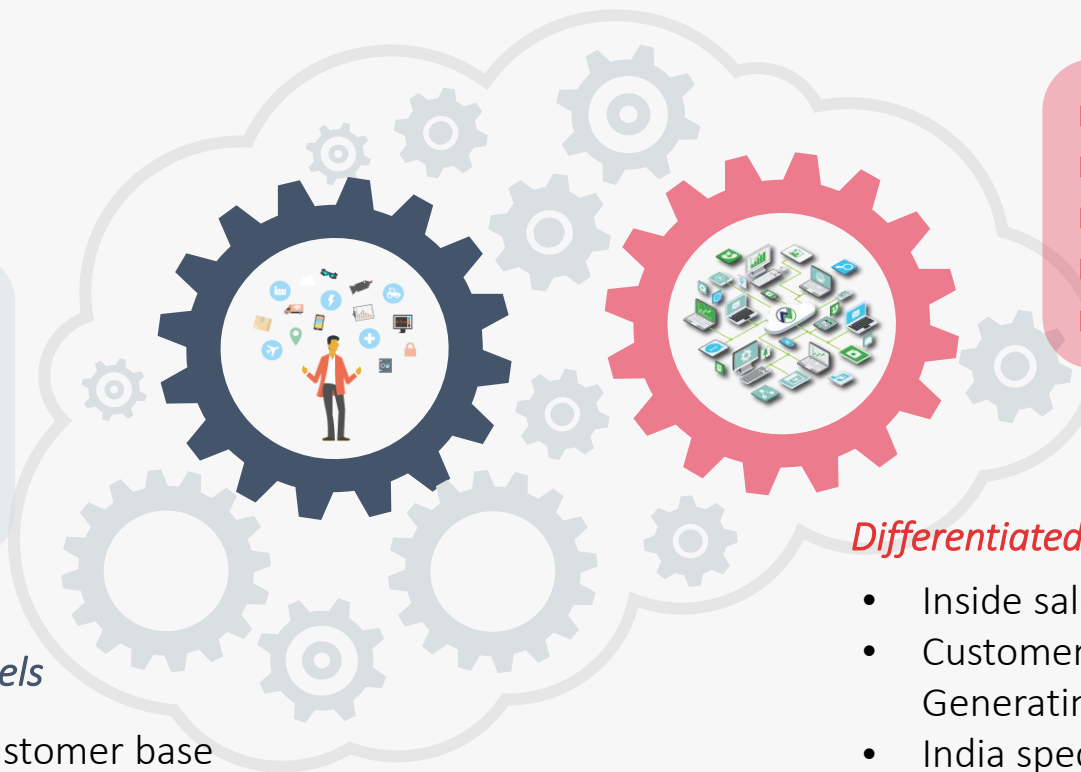
- Platforms with sticky customer base
- Defensible margins (GM, CM)
- Digitally native brands
- Full-stack models
- Omni-channel approach

ENTERPRISE TECH

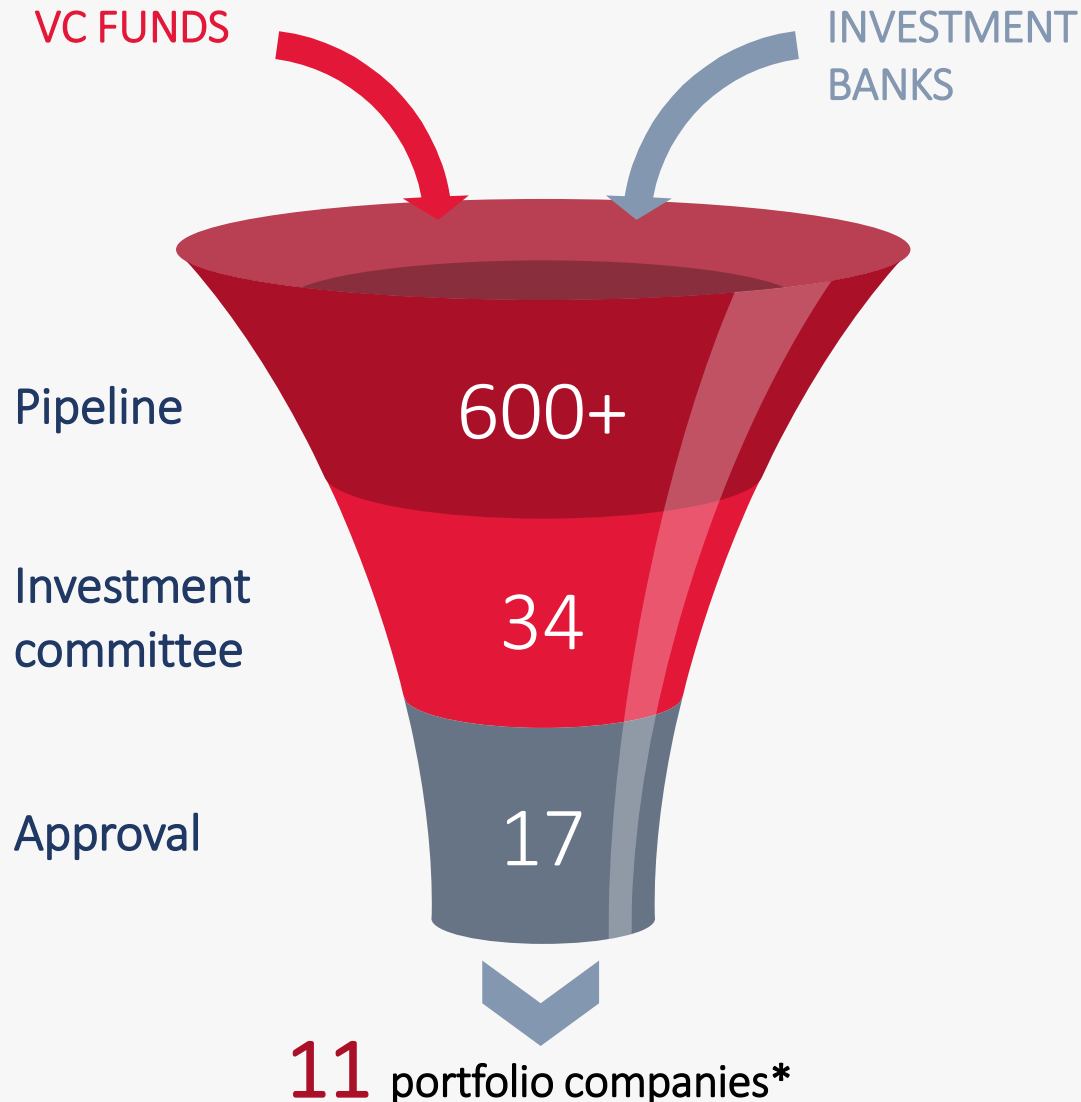
- ▶ Global enterprise software
- ▶ AI
- ▶ IoT
- ▶ Cyber Security
- ▶ Cloud architecture

Differentiated business models

- Inside sales & remote support driven
- Customer facing & revenue Generating application
- India specific applications & use cases
- Frugal innovation culture



DEAL SOURCING PROCESS



STEP 1 – Screening

~150 deals screened per year

- ▶ Deep relationships with VC funds, IBs coupled with investment team's direct network
- ▶ Deal team vets opportunity against Fund's investment criteria and exit strategy for deal, agrees in principle and prepares report for Investment Committee

STEP 2 – Approval

- ▶ Investment Committee of 8 senior members review deal proposals and approve opportunity

STEP 3 – Investment documentation

3 – 4 investments per year

- ▶ Investment sign off and documentation agreed with company

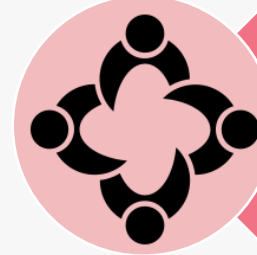


The Opportunity

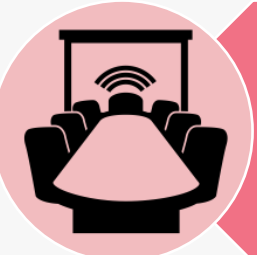
SAF DIFFERENTIATION



Stage B/C; Seek strong Product-Market-Fit validation



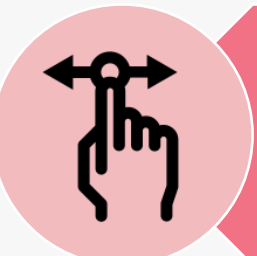
Operational expertise, support to portfolio through Sistema's multi-geography & multi-industry presence



Diversified IC with experience across sectors and geography



Low mortality strategy; Fund return spread over portfolio without significant return-concentration risk

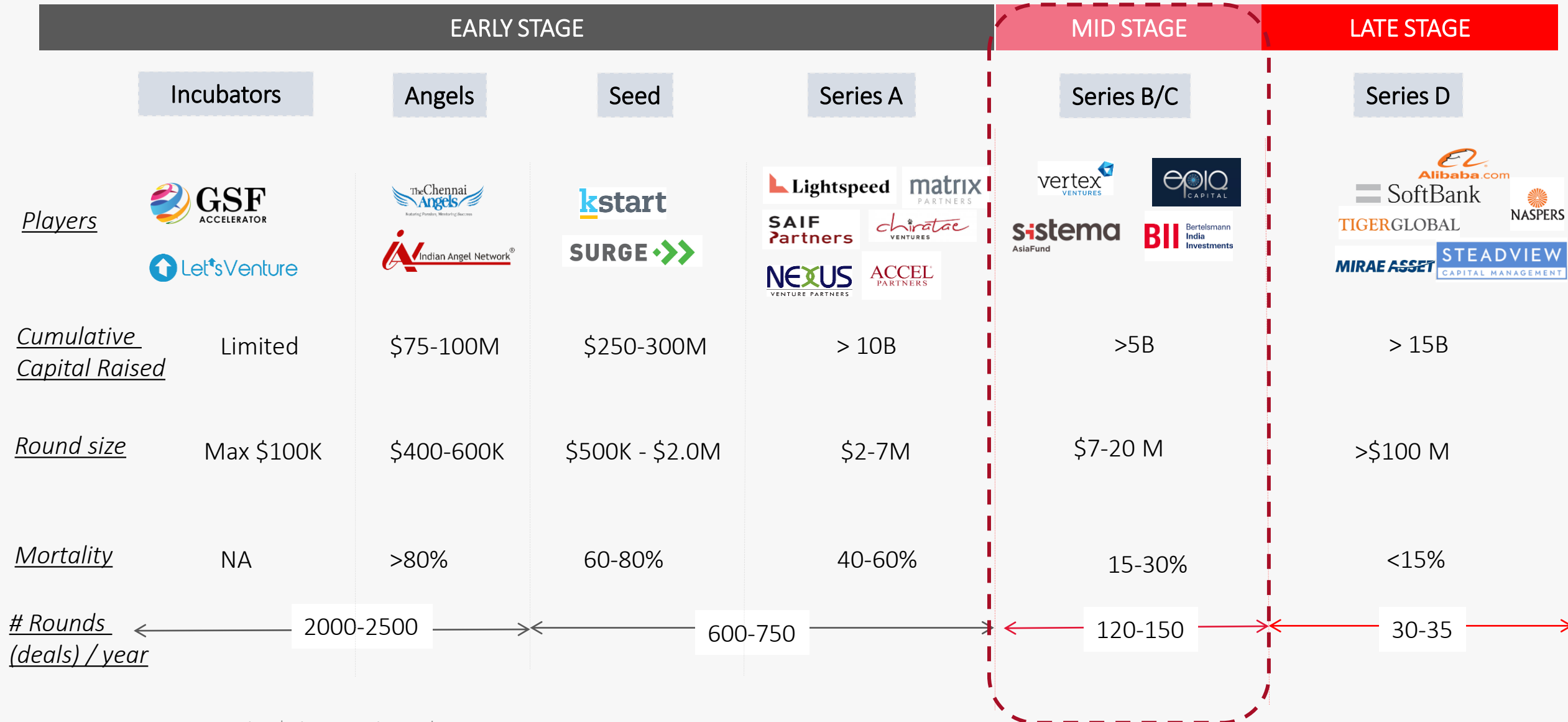


Ability to enter companies through a reasonably wide stage range once PMF is established



Prepared to lead or Co-invest for ensuring entry into solid companies

INDIA MID-STAGE INVESTING IS UNDER-REPRESENTED





TOP UP OPPORTUNITY

SAF Fund I has existing commitments of \$100M from Sistema and other LPs in India and Russia

Looking to top-up the fund with an additional \$20M

Fund Deployed + Committed: 82%

1.53x step-up on invested capital

Completed Investments: 11

3-4 new investments to be made

Current Portfolio IRR: 21.6%

Years remaining: 6

Backing winners with follow-on investments
Offering entry at Cost (Implying a ~30% discount on FMV)

INVESTMENT OPPORTUNITY



Min investment size	▶ \$5M
Investment period	▶ From the First Closing Date; expiring 2 years from the Final Closing Date. Incoming LPs get access to current portfolio at cost
Total investments	▶ 3-4 per year ▶ 12 – 15 total portfolio investments
Target fund size	▶ \$120M - \$150M hardcap
Sponsor commitment	▶ Sponsoring parent seed investment of \$80M
Fund term	▶ 8 years + optional 2 years extension
Expected return	▶ 3-4x
Management fee	▶ 2%
Carried interest	▶ 20% till 3x return ▶ 30% above 3x return

India tech venture exposure through a leading mid-growth focused venture fund



Appendix



Late Stage



SAF Winner

India's largest Internet kitchen, setting sights overseas



Jaydeep Burman
Founder,
CEO INSEAD,
McKinsey & Company



Kallol Banerjee
Co Founder,
INSEAD,
IIM Lucknow

faasos.com

World's largest cloud kitchen platform company:

- ▶ \$60M* annualized revenue (FY23 plan - \$500M)
- ▶ Steady State Kitchen EBITDA ~ 35%
- ▶ Move towards automation, AI, IOT
- ▶ 14 brands; 297 cloud kitchens

- ▶ Multi-brand web and mobile-based cloud kitchen. Faasos is India's largest food-on-internet/food-on-demand technology company. It operates meal delivery services designed to deliver food from breakfast to dinner across five brands
- ▶ Unique dark kitchen model allows efficient utilization of infrastructure across brands

Cumulative Investment	~\$294M
SAF Investment	\$6.9M
SAF Entry Year	2018
Co-Investors	Sequoia, Lightbox, Ru-Net, Coatue



Late Stage



SAF Winner

Global Conversational AI company



Umesh Sachdev
CEO and Co-founder



Ravi Saraogi
COO & Co-founder

uniphore.com/

SAAS platform of Conversational Analytics, Conversational Assistant and Conversational Security

- ▶ ~\$27M ARR in Aug'20
- ▶ 80% of the business from APAC

- ▶ Conversational AI company providing speech recognition solutions to enterprises
- ▶ 4M+ end users, 80+ enterprises catered to
- ▶ Capability to deliver speech recognition solutions in over 100 languages
- ▶ Agent led customer support is a \$350B huge industry ripe for disruption through AI enabled solutions

Cumulative Investment	\$66.8M
SAF Investment	\$7M
SAF Entry Year	2019
Co-Investors	March Capital, Chiratae, National Grid Ventures, John Chambers



Growth Stage



licious.in

Pan India full stack meat gourmet brand:

- ▶ \$72M annualized revenues;
- ▶ 750K monthly orders at \$8 average order value. 3X growth in last quarter
- ▶ 7 cities in India

SAF Winner

Largest fresh meat e-tailing brand in India



Abhay Hanjura
Co-Founder,
CEO



Vivek Gupta
Co-Founder,
COO CA

- ▶ Licious is organizing the wet meat market which is 90% managed by unorganized and unlicensed butchers who have no regard for quality and hygiene
- ▶ Licious adopts a full stack approach right from sourcing of raw meat to processing the meat in own plants to delivering through own delivery staff
- ▶ 72% of Indians are meat lovers leading to a large \$30BN market opportunity

Cumulative Investment	\$94M
SAF Investment	\$12.3M
SAF Entry Year	2017
Co-Investors	Mayfield, 3one4, Neoplux, Vertex, Bertelsmann, Nichirei Corporation



Late Stage

LENDINGKART

Leading SME lending fintech company in India



Harshvardhan Lunia
Co-Founder,
CEO ISB,
CA

lendingkart.com

India's leading digital SME lending company:

- ▶ \$310M loan book
- ▶ \$33M monthly disbursements; growing 10% MoM (Pre Covid)
- ▶ Profitable; Best in class NPAs

- ▶ LendingKart is a non-bank finance company that services Small & Medium Enterprises in India through a branchless model using AI/ML based proprietary credit underwriting technology
- ▶ SME Lending represents a \$60-100BN annual credit gap in India and traditional banks are ill-equipped to serve this market

Cumulative Investment	\$220M
SAF Investment	\$7.8M
SAF Entry Year	2017
Co-Investors	Saama, Mayfield, Bertelsmann, Fullerton Financial



Early Stage



Digital fitness coach, powered by AI



Tushar Vashisht
Founder, CEO
University of Pennsylvania,
UIDIA, AADHAR

healthifyme.com

India's leading mobile health and fitness platform:

- ▶ \$12M current year exit ARR
- ▶ 16M users
- ▶ 650m foods and workouts tracked

- ▶ Highest rated Indian app on Play Store (4.6+), best app in the category for 3 years in a row, Editor's Choice 2017 Award
- ▶ The company enjoys a 10% market share in the Indian health/fitness space. Launched the world's first AI nutritionist "Ria"
- ▶ Users spread across 200 cities in India, Middle East and SEA

Cumulative Investment	\$35.2M
SAF Investment	\$4.6M
SAF Entry Year	2018
Co-Investors	Chiratae, Blume, Samsung Next

ABOUT PJSFC SISTEMA



SISTEMA HIGHLIGHTS

\$19.5bn Assets | \$12.1bn Revenue |

\$2.2bn Investments

>20 portfolio companies in 20 industries

#1 private investor in Russia

25-year track record of successful investments in Russia, CIS, Asia and other markets

Consistent profitable exits

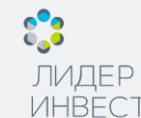
B2C



B2B



FUNDS AND REAL ESTATE



SISTEMA_VC



SISTEMA'S GLOBAL REACH ACROSS INDUSTRIES



MOSCOW / SINGAPORE TEAM



Vsevolod Rozanov

Chairman
Moscow

Functions: Chairman, IR, PR

Past exp.: JSFC Sistema, MTS, Bain & Company



Sergey Savchenko

CEO
Singapore

Functions: Portfolio Oversight

Past exp.: JSFC Sistema, MTS, Bain & Company



Leonid Musatov

Executive Director
Singapore

Functions: Business Development, Sourcing

Past exp.: Dun&Bradstreet, MTS



Vinay Mittal

CFO
India/ Singapore
Functions: Finance
Past exp.: MTS



Tejash Prajapati

Executive Director
Singapore

Functions: Administration, Compliance

Past exp.: Reliance Capital



Oleg Dzenenko

Investment Director
Moscow

Functions: Sourcing, Execution

Past exp.: Promsvyazbank, Evli bank, PWC