

THE STATE OF SOUTHEAST ASIAN TECH

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Introduction

State of Southeast Asian Tech Report 2018 *First Edition*

This is the first State of Southeast Asian Tech Report which offers a comprehensive look at the tech startup ecosystem in six regional countries, namely Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam.

Over 100 key players in the SEA tech startup ecosystem took part in our wide-ranging survey, including entrepreneurs, investors and startup employees. The survey findings offer insights on the region's advantages and challenges, helping us to better understand how it may compete at a global level.

All of the survey's respondents agreed unanimously that the region's tech startup ecosystem would continue to expand in the next one to two years. Funding and exits reached new heights, demonstrating market acceptance and more significantly, providing recognition that regional startups were as good and as valuable as their counterparts in the U.S. Acquisitions remained the dominant method of exits, and have hiked upwards for the third year in a row.

The region is also growing more integrated. As SEA moves closer to becoming a common market, governments are encouraging their enterprises to collaborate. Just as intra- trade is increasing in the region, cross-border deals are on the rise. Indonesia-based Traveloka, Vietnamese e-commerce company Tiki and other SEA startups are expanding regionally. Meanwhile, many other investors are going beyond their borders as they eye investment opportunities in neighboring countries.

2017 was marked by many exciting developments including Grab's acquisition of Uber in SEA and Go-Jek's aggressive expansion across the region. Startups exited via acquisitions, following the trend of the last few years. Singapore continued to be a major node for the SEA tech startup ecosystem. It remains a popular place to found and register startups, and it is still where most VCs and investors in the region are headquartered.

Looking ahead, the SEA ecosystem is expected to expand and become more vibrant. VC and corporate funds will flow to the region principally via Singapore. Unfortunately, although there is no lack of funds, there aren't currently enough great creative ideas. Talent is and will remain a major challenge, and innovative ways will have to be found to manage the crunch. Governments will need to increase their activities and grow funds for tech startups as a way to pump new vibrancy into their economies, create new profitable companies and move to a digital economy.

A Word from Monk's Hill Ventures

We are pleased to present the State of Southeast Asian Tech Report, a collaboration between Monk's Hill Ventures and Slush Singapore. This report provides a broad overview of the Southeast Asian (SEA) tech startup ecosystem: what makes it tick, work and grow.

Our insights were gathered earlier this year through a survey. Respondents included entrepreneurs, investors, startup executives and other key players in the SEA tech startup ecosystem. Some elaborated on their views during one-on-one interviews. Taken together, the information portrayed a vibrant yet complex SEA tech startup landscape.

Why did we decide to compile this report? SEA is the emerging market for tech startups in 2018. The region continues to draw attention from investors who see it as a fledgling internet market. In recent years SEA has seen significant, game-changing growth including multi-billion dollar funding rounds, extensive government support and the rise of unicorns. SEA's 11 economies with 630 million people have a growing middle class that is increasingly becoming affluent, many connecting to the Internet for the first time. This paradigm shift to a digital world means that SEA is quickly becoming an epicenter of internet usage, and hence a potential multi-billion dollar market for the creators and consumers of new products and services.

Socio-economic, political and financial affairs of the region are well-covered by local and world media. However, media attention on the SEA startup scene is by the converted for the converted, namely by online media companies that began as startups who write for a tech- and internet-savvy readership. The mainstream media has woken up, but much needs to be done to inform and educate them on the nuances of the tech startup world and their impact on people, society, business and nations.

The global startup ecosystem, including family offices and the private equity community, are also becoming aware that Asia is much larger than only China and India. The SEA ecosystem is only beginning to be understood and appreciated, especially among the corporate world and business professionals.

In this report, we will highlight the ecosystem's driving philosophies, strengths, challenges and future outlook. While there are many positive aspects, issues persist around the lack of diverse opportunities and experiences as well as the availability of human and financial capital vis-à-vis

what is available in China and India. Ultimately, our report aims to give greater clarity to the development of the SEA tech ecosystem, especially to understand the drivers of today's changes in order to better discern tomorrow's direction.

We have taken a deep dive into several aspects, adding a particular focus on founders of companies in the region. By collecting qualitative and quantitative information about these founders' motivations, backgrounds and ambitions, we have sought to better understand the fundamental ingredients that make the SEA tech ecosystem unique. This has helped us to identify new developments and trends that will impact the ecosystem in the years and decades to come.

This report, inspired by Atomico's brilliant research on the European technology ecosystem, is a combined effort by our partners across SEA. We deeply appreciate the support of Slush Singapore, our data contributors and survey partners who have conducted additional research and kept this report as current as possible.

Kuo-Yi Lim

Managing Partner, Monk's Hill Ventures

A Word from Slush Singapore

The internet is powerful. But there was one thing its search engines could not find: a comprehensive report on the tech, startup, funding and regulatory ecosystem of SEA.

It probably did not exist. What do you do if you cannot find what you are looking for? You create it.

Together with our partner Monk's Hill Ventures, we took on a quest to map out the SEA startup ecosystem and create an overview on funding, trending sectors and future growth projections for the region. As we reached out to other partners for help with data, surveys, interviews and distribution, we realized that this report was long overdue. Many of our partners shared our enthusiasm for undertaking this report and supported us where they could.

Why is this report so important?

With its emerging market of over 600 million people, it's time for SEA tech startup ecosystem to be recognized globally. The region is on the cusp of becoming one of the key global technology startup hubs. With access to world-class tech talent and tremendous funding opportunities, there is a high chance the next big thing in tech will come from SEA.

Many companies stand to miss out on these opportunities because of a lack of knowledge. This report aims to fix that.

Whether you are from this region or from outside of it, we hope this report will provide a good starting point to understand the region's tech startup landscape and the opportunities. To help you better navigate the report, you may visit www.thesoutheastasia.com, where you may also download a PDF of the report. We hope it will serve as a reference point for investors, entrepreneurs and the media.

This report is the first big step towards putting SEA on the map, and we're already looking towards the next edition.

We hope you enjoy the report!

Anna Ratala

Head of Slush Singapore

EVOLVING SOUTHEAST ASIA

For SEA's tech startup industry, the highlights of 2017 included record-breaking raises, forays into frontier tech (e.g., artificial intelligence and machine learning; blockchain and cryptocurrency) and increased attention from international venture capital firms and corporate investors.

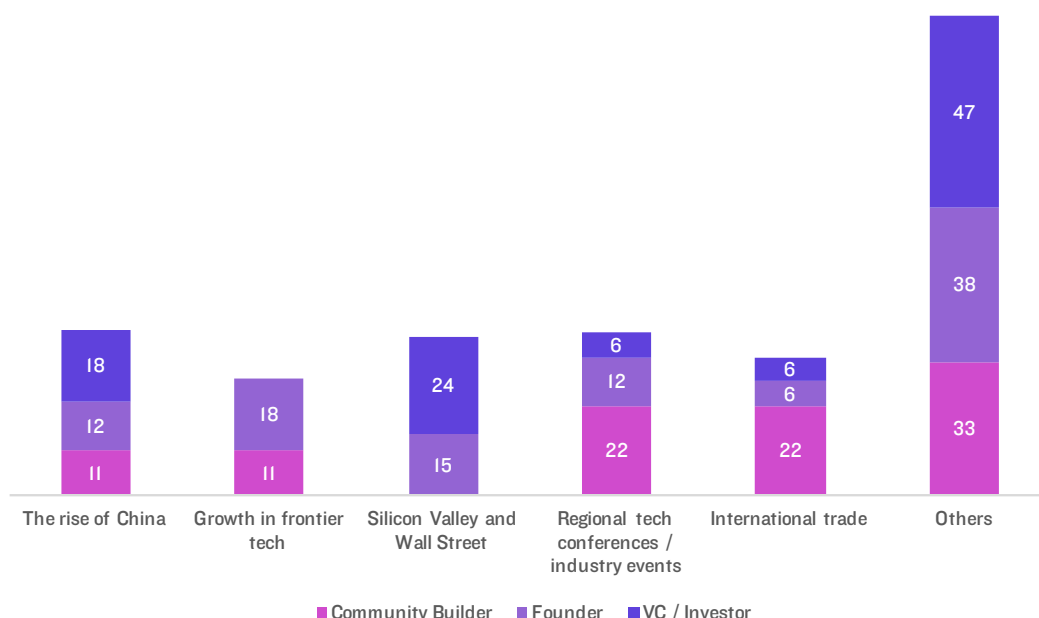
It's been a big year for Southeast Asian tech

Globally, the tech startup sector proved to be exciting, with many developments impacting SEA. Uber's decision to sharpen its focus on its key markets, for example, led to its exit from SEA, leaving its rival Grab to "grab" the ride-sharing business. Regional startups proved just as capable of raising multi-billion dollar funding rounds as their overseas counterparts.

These highlights demonstrate that there was a thriving startup ecosystem in SEA over the last 12 months. In addition:

- Singapore-based [Grab](#) raised the largest funding round in SEA history mid-last year: (\$2 billion from Didi Chuxing and Softbank).
- In the same month, Indonesian e-commerce firm [Tokopedia](#) raised \$1.1 billion
- E-gaming firm [Sea](#) bought 82% of Vietnamese media platform Foody in September.
- [aCommerce](#), based in Thailand, raised \$65 million in November from KKR-backed Emerald Media.
- In December, e-commerce giant Amazon rolled out [Amazon Prime](#) in Singapore
- Indonesian e-commerce platform [Bukalapak](#) was valued at over \$1 billion in January, becoming SEA's seventh unicorn.
- In the same month, Alibaba rival JD.com invested in a Series C investment round with Vietnam-based online retail service [Tiki](#). Although the round was undisclosed, it was estimated by TechCrunch to be around \$50 million.
- In February, Indonesian ride-hailing firm [Go-Jek](#) raised \$1.5 billion to expand in Vietnam, Thailand, Singapore and the Philippines.
- [Grab](#) acquired Uber Southeast Asia in March.

Which tech ecosystem and/or geopolitical event(s) had the greatest impact on the region in the past 12 months?



Source: 2018 State of SE Asian Tech Survey

Below are some of the respondents' perspectives about developments over the past 12 months that were collected during one-on-one interviews. Their comments have been lightly edited for clarity and brevity.



“There were a few major pieces of news last year which were generally good for the SEA startup ecosystem. First was Alibaba's acquisition of Lazada which proved the genuine availability of exits for ASEAN-based startups on a large scale to the market. The second would be Grab's acquisition of Uber's operations in the region which showed the market the genuine opportunity for ASEAN based startups to compete and surpass Western based startups. Both events, I believe, showcased the strength of the startup ecosystem in ASEAN and will hopefully increase foreign investor's confidence in ASEAN.”

Naysan Munusamy, co-founder of Moneymatch



“I feel the most exciting news for the SEA tech ecosystem in 2017/2018 was Grab's acquisition of Uber in SEA, because it does show that homegrown startups from SEA can become successful and win a competitive fight against a very strong and well-funded US counterpart.”

Jonathan Eg, founder and CEO of Partipost



“In 2017, I saw more and more excitement from startups that started looking overseas. The case of local companies expanding abroad like Go-Jek is definitely helping push the ecosystem and is a good example; I think we will see more and more cases following the “Big Brother” footstep.”

Casper Sermsuksan, co-founder of Kulina



“For me, the growth of the e-commerce platforms like Lazada, Shopee and local players like 11street and Mudah was very positive news for the SEA region from the past 12 months—end consumers always reap the most benefit. The introduction of e-wallets was also very exciting! Another notable success was definitely Grab and its horizontal and vertical expansions.”

Nadia Jalil, founder and CEO of MyBump Media



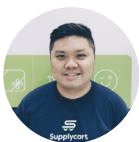
“On the surface, it's sad to say that Uber leaving SEA was the most exciting news for SEA Tech ecosystem in 2017. It's a proof that SEA is a large and growing market, becoming the new hot spot in world wide tech scene. It's a proof that SEA can develop its own multi-national company with the same level of competition as other regions in the world. It's also a proof that SEA becoming more and more united place where businesses can grow across borders. And finally, it brings inclusive services to underserved people.”

SyPhong Bui, founder and CEO of OnOnpay



“The successful IPOs of companies like Sea Group and Razer was the most exciting news from 2017, in my view, because it showed the potential of building a company from SEA that can scale globally at unicorn valuations. This will bring more talent, investors and founders to join the SEA tech ecosystem.”

Nidhi Gupta, co-founder and CEO of Portcast



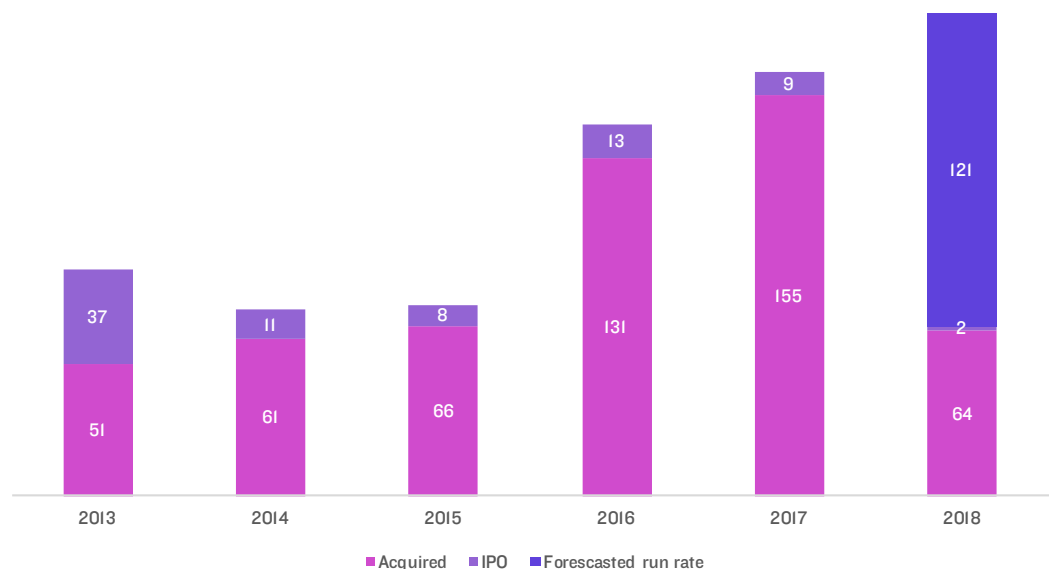
“I believe Grab acquiring Uber, Go-Jek, and the Digital Free Trade Zone in Malaysia would be some of the bigger news this year in the region, putting SEA on the map as bullish market for tech. More and more tech experts are looking towards this region now.”

Jonathan Oh, founder and CEO, Supplicart

The number of exits each year continues to grow

Startup exits grew for the third year in a row. SEA was no different than other startup hubs in that acquisitions were the most common exit strategy. Only nine SEA startups were publicly listed in 2017 while 155 were acquired. This trend is expected to continue in 2018.

Startup exits in SEA, 2013-2018



Note: Forecast run-rate based on 2016-2017 growth rate; Countries represented: Singapore, Malaysia, Thailand, Philippines, Vietnam, Indonesia

Source: Crunchbase data, Slush Singapore analysis

A healthy pipeline of exits points to a healthy tech ecosystem. Bikesh Lakmichand, CEO of 1337 Ventures, feels that past trend of exits via M&A will continue and may even pick up steam in the coming months:

“There have been more tech startups confident enough to embark on acquisitions. I think the challenge in valuation is the main reason for any exit delay. Not all exits will be China led. I think we shall see large global private equity firms get into the game.”

Southeast Asian unicorns thrive

By mid 2018, SEA was home to eight unicorns split evenly between Singapore and Indonesia. Compared to other Asian regions, SEA did well in this unicorn list. According to Crunchbase, there are only three unicorns in South Korea and one each in Japan, Australia and Hong Kong. India has about 10 unicorns, and of course China completely dominated the unicorn list with about 90.

SEA's unicorns thrive on radical ideas. While Uber's on-demand car service app was the rage, Go-Jek went against this trend to become a "super app." Anyone can use it to get on-demand services ranging from hairdressing and home cleaning to food delivery and of course, ride-sharing. Razer entered as a commodity computer accessory business, but ultimately succeeded by sharply focusing on a niche sector: computer mice and keyboards for gamers. Founder Tan Min-Liang has endowed Razer with a cult-like culture in which fans sculpted the company's logo into their hair styles.

Each SEA unicorn has a unique story, but all feature hard-charging founders, most of whom studied overseas. No different than their counterparts in the U.S. and elsewhere, these founders were steadfast in their vision and convinced VCs to fund their expansion and development.

Company	Home country	Valuation/market cap
Bukalapak	Indonesia	"Over \$1b" as of January 2018
Go-Jek	Indonesia	\$5 billion
Grab	Singapore	\$10 billion
Lazada	Singapore	\$3.15 billion
Razer	Singapore	\$1.98 billion (as of August 2018)
Sea	Singapore	\$4.90 billion (post-IPO August 2018)
Tokopedia	Indonesia	Undisclosed, funding of \$1.3 billion in August 2018 values it past US\$1 billion
Traveloka	Indonesia	\$2 billion

Sources: Bloomberg, TechCrunch, Yahoo! Finance, Crunchbase

Notes: Valuation is as of June 2018 or as stated otherwise

Optimism for the tech startup ecosystem

Survey respondents were optimistic for the SEA tech startup ecosystem, expressing confidence in its growth over the next 12 to 24 months. There were, however, different opinions on the speed of growth of each of the six economies covered in this report.

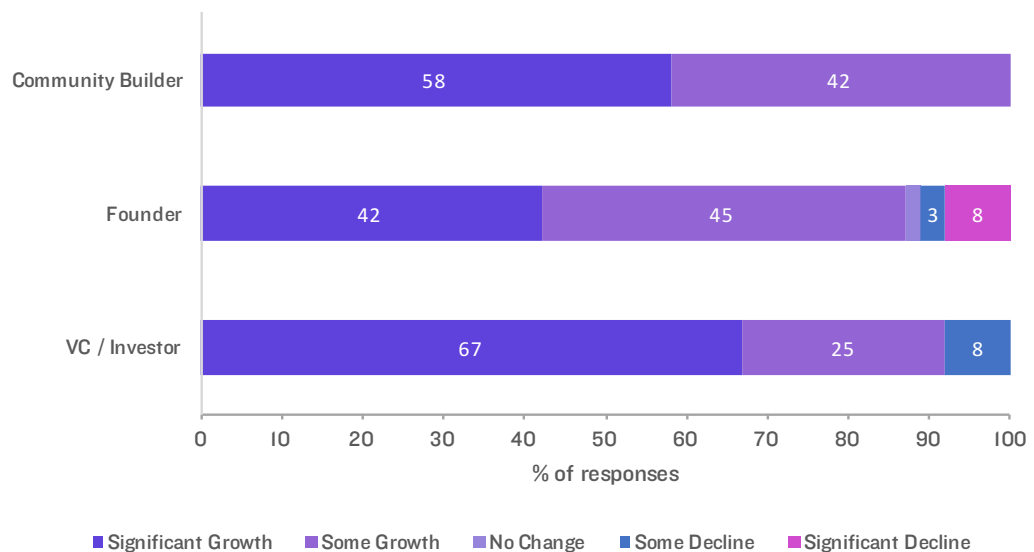
VCs and investors believed there would be "significant growth" opportunities in Indonesia, while founders were most bullish on Vietnam. Community builders went against the grain, overwhelmingly rooting for Thailand. The following charts reflect their views on growth for the different countries.

On the potential for growth in different countries, A. Balasubramaniam, head of funding ecosystem at MDEC, said:

"The regions where there is most potential for growth in the tech industry in SEA are Indonesia, Vietnam, Singapore, and Malaysia. The industries that show the most potential for growth are banking, financial services, and insurance—namely fintech, e-commerce, and IoT."

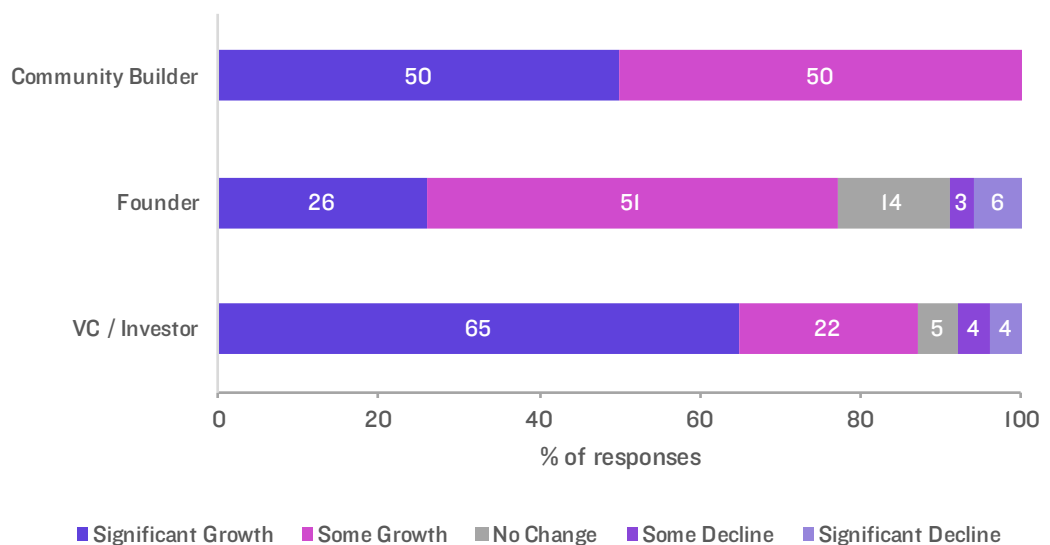
Forecasted growth: INDONESIA

How do you see the number of startups in INDONESIA changing over the next 1-2 years?



Source: 2018 State of SE Asian Tech Survey

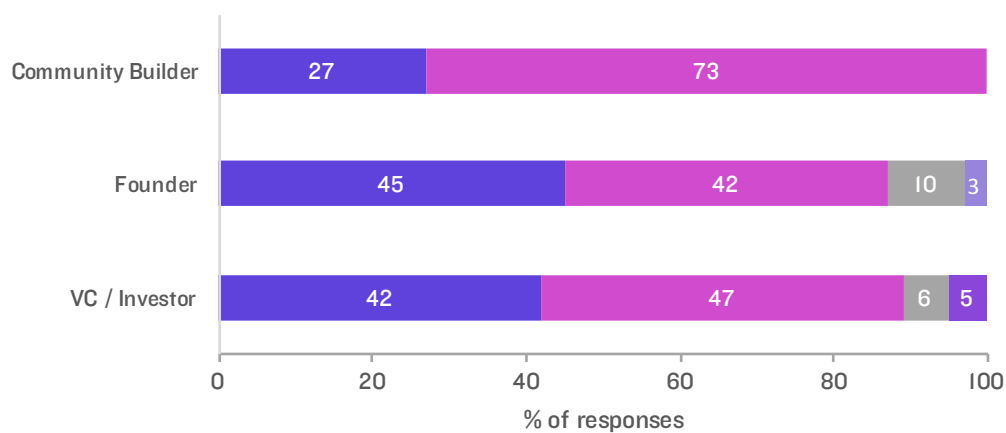
How do you see the amount of VC funding in INDONESIA changing over the next 1-2 years?



Source: 2018 State of SE Asian Tech Survey

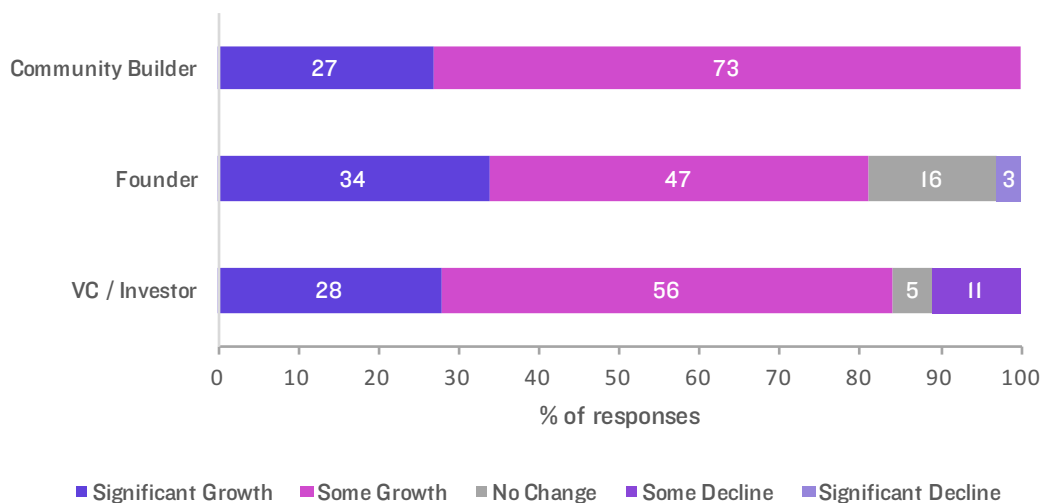
Forecasted growth: VIETNAM

How do you see the number of startups in VIETNAM changing over the next 1-2 years?



Source: 2018 State of SE Asian Tech Survey

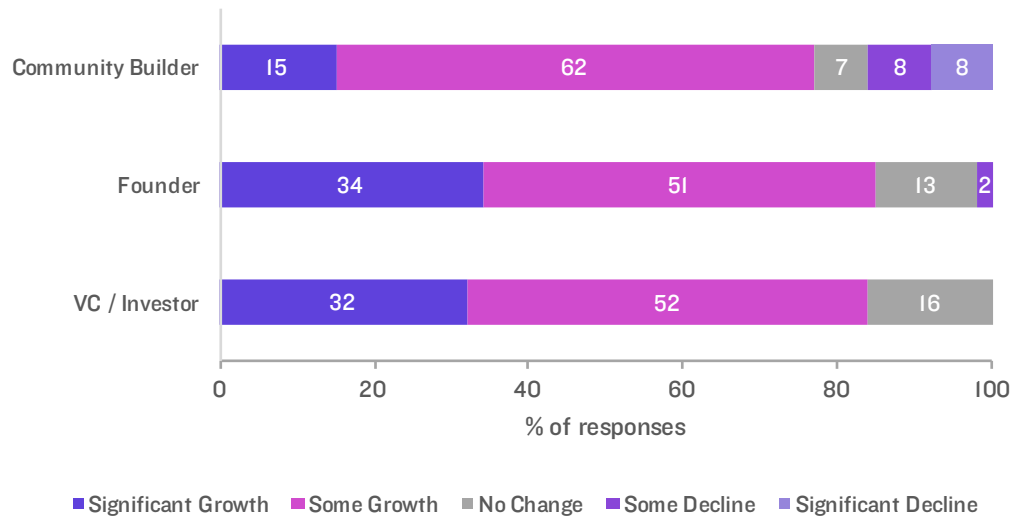
How do you see the amount of VC funding in VIETNAM changing over the next 1-2 years?



Source: 2018 State of SE Asian Tech Survey

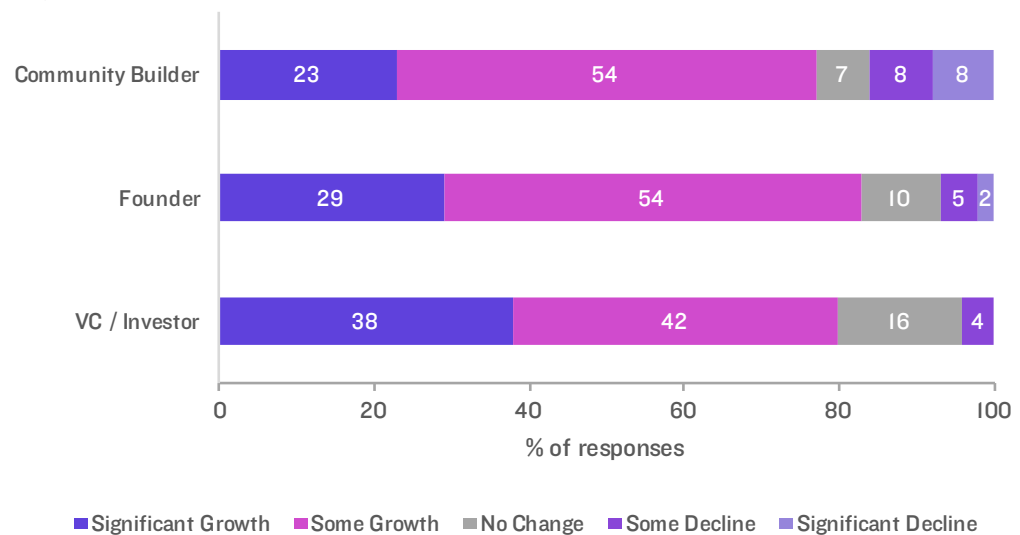
Forecasted growth: SINGAPORE

How do you see the number of startups in SINGAPORE changing over the next 1-2 years?



Source: 2018 State of SE Asian Tech Survey

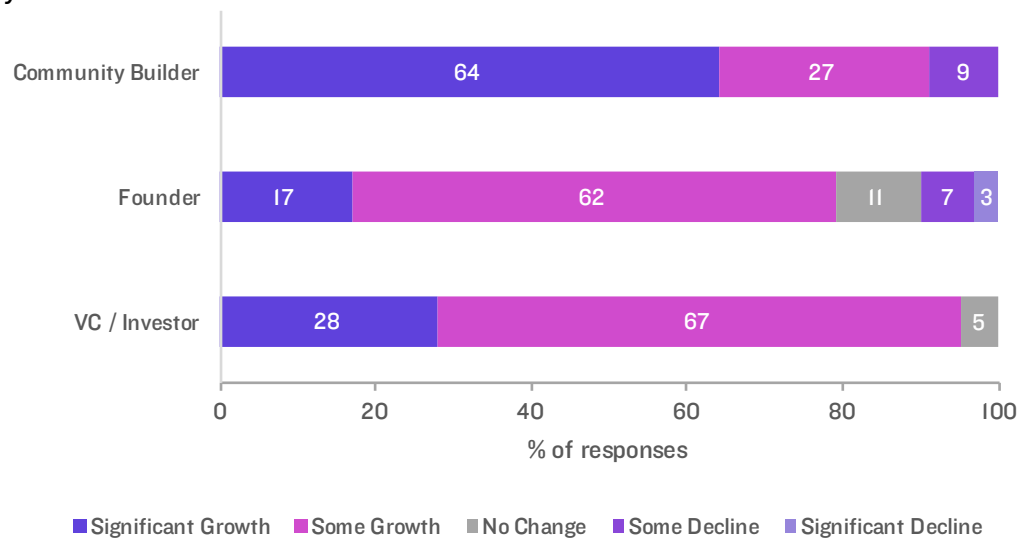
How do you see the amount of VC funding in SINGAPORE changing over the next 1-2 years?



Source: 2018 State of SE Asian Tech Survey

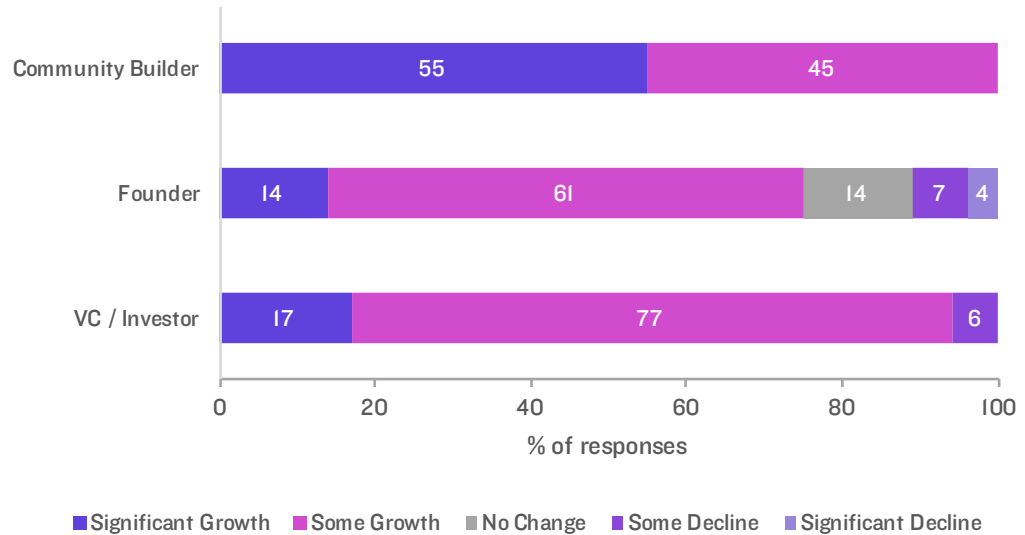
Forecasted growth: THAILAND

How do you see the number of startups in THAILAND changing over the next 1-2 years?



Source: 2018 State of SE Asian Tech Survey

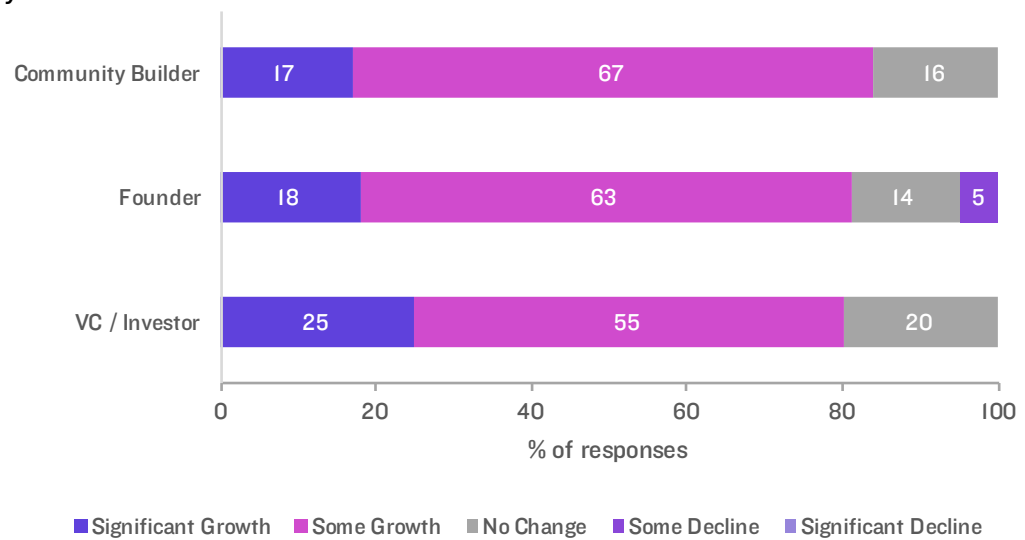
How do you see the amount of VC funding in THAILAND changing over the next 1-2 years?



Source: 2018 State of SE Asian Tech Survey

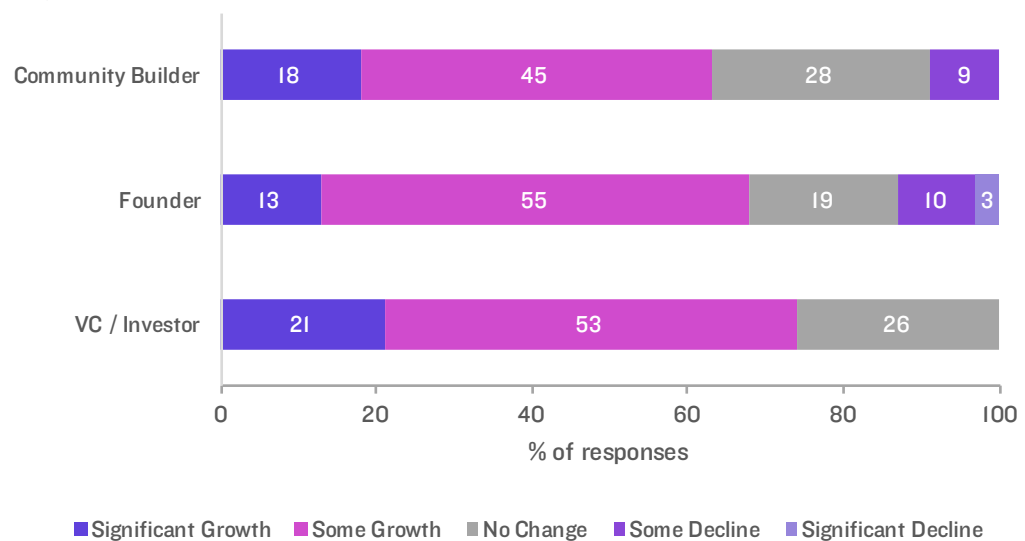
Forecasted growth: MALAYSIA

How do you see the number of startups in MALAYSIA changing over the next 1-2 years?



Source: 2018 State of SE Asian Tech Survey

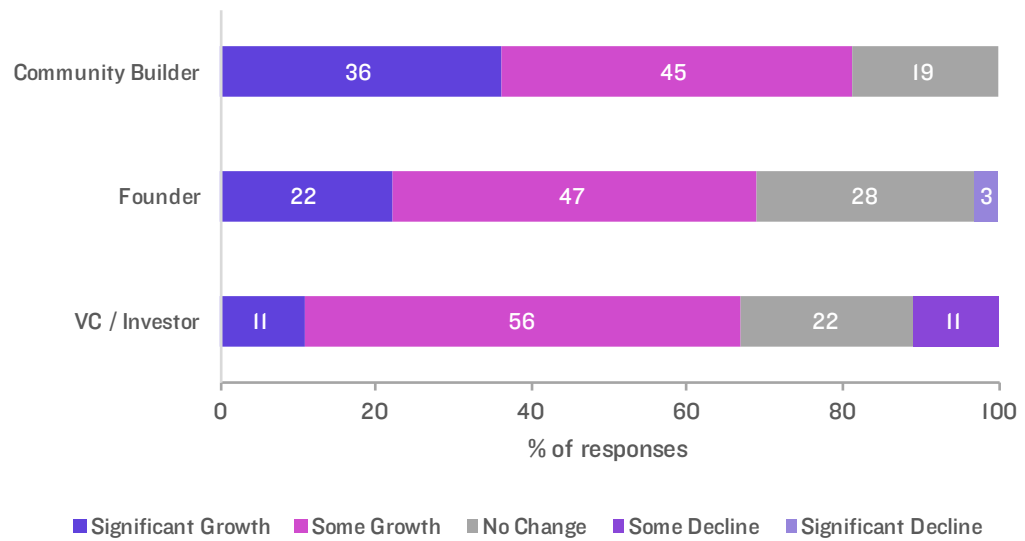
How do you see the amount of VC funding in MALAYSIA changing over the next 1-2 years?



Source: 2018 State of SE Asian Tech Survey

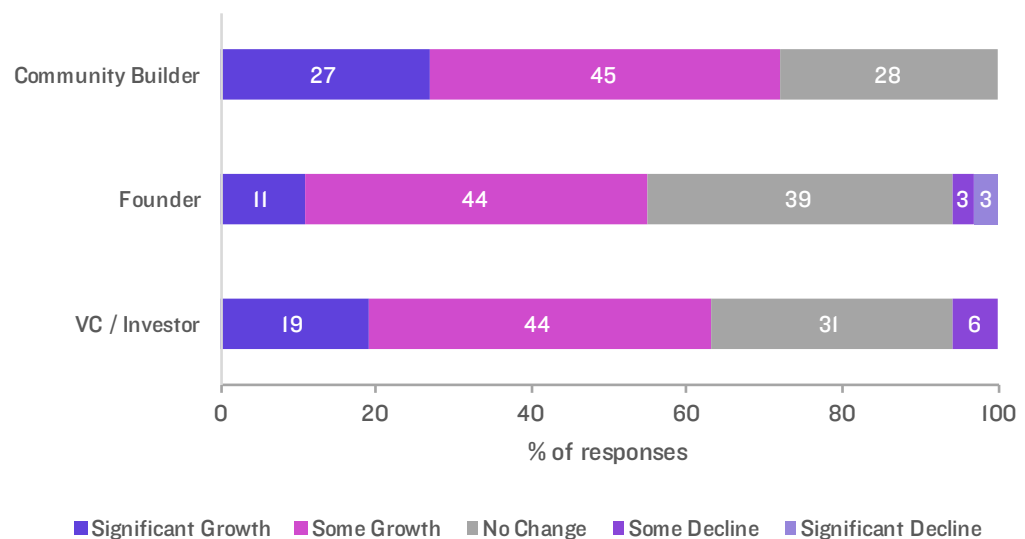
Forecasted growth: PHILIPPINES

How do you see the number of startups in PHILIPPINES changing over the next 1-2 years?



Source: 2018 State of SE Asian Tech Survey

How do you see the amount of VC funding in PHILIPPINES changing over the next 1-2 years?



Source: 2018 State of SE Asian Tech Survey

ECOSYSTEM TRENDS

Looking at the big picture, a few key patterns become clear. Despite being a heterogenous region with different languages and culture, SEA is becoming more integrated. It's a strong internet market because of its young population, 70 percent of whom are below 40 years old. Nearly 4 million more of those people are going online each year.

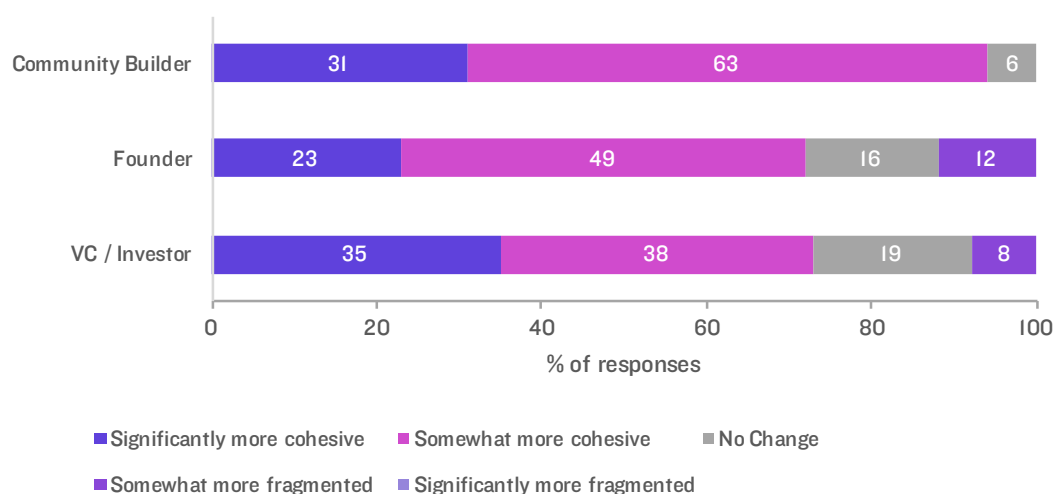
The top economies within SEA are growing at more than 5 percent a year. Each country might have socio-economic-political challenges, but as a group they are stable; business continues smoothly.

Geographical integration is growing

A significant majority of survey respondents in all categories felt that SEA's international tech community had become "significantly" or "somewhat" more cohesive in recent years.

Community builders were the most positive, with 94 percent of them answering that cohesion had increased.

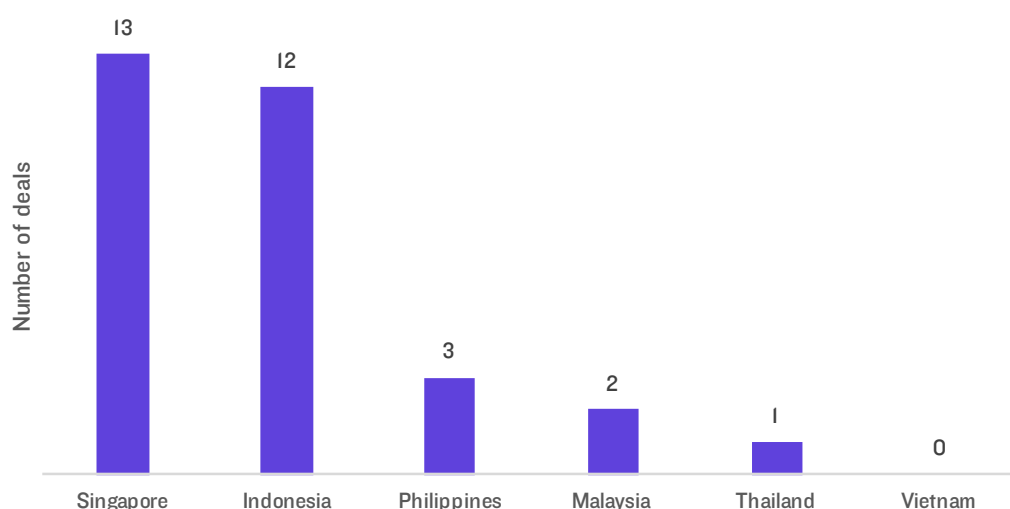
How has the SEA tech community's degree of interaction between countries evolved over the last five years?



Source: 2018 State of SE Asian Tech Survey

Cross-border investments within SEA increased, with Singapore-based investors leading the way. These investors led 13 out of 31 total in-region foreign investment deals, focusing mostly on Indonesia. Indonesia-based investors came a close second, leading with 12 deals.

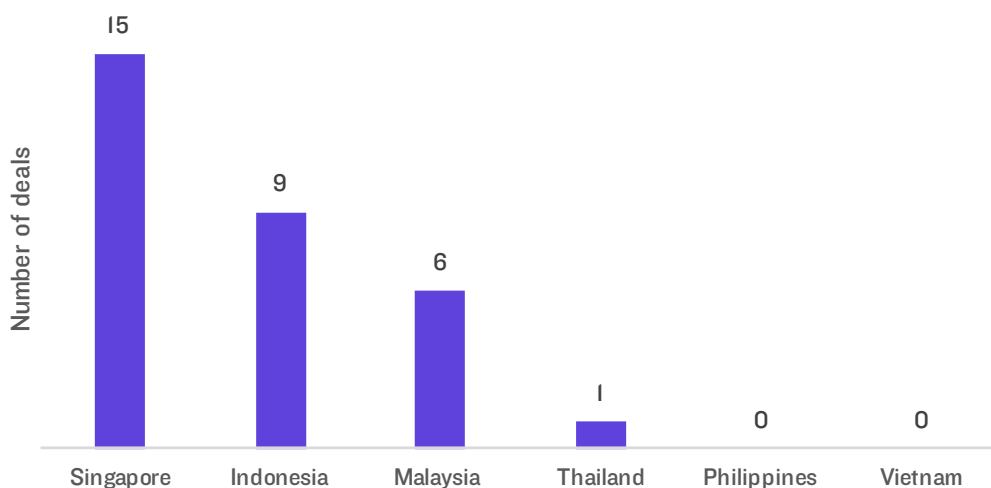
In-region foreign investment deals in SEA (Investor-side)



Source: 2018 State of SE Asian Tech Survey

Meanwhile, more deal activity flowed into Singapore than out of it. Singapore-based startups received the most deals from in-region foreign investors—15 deals to Indonesia's nine.

2017 In-region foreign investment deals in SEA (Startup-side)



Source: Funderbeam, Slush Singapore analysis

Notes: Funding amount extrapolated based on assumption of equal contribution from all parties for a given round

However, barriers to integration remain. Some of the most stubborn hurdles are language and other cultural differences, said Paul Hadjy, founder and CEO of Horangi. "In different countries problems are solved in different ways, often times they are very relationship driven. This basically means you have to be on the ground, or hire someone who can act as you do develop those relationships," he said.

Laws and regulations in some countries can impede integration as well. "Taxation between member countries, especially on capital gains, should be 'friendlier' to VCs. Standardization in legal affairs, for example, could speed up the investment process," said Nizar Ali, managing director of FirstFloor Capital.

CAPITAL FLOWS

To judge the state of a tech startup ecosystem, look at the money. Over the past five years, the number of venture deals in SEA has risen at all stages from angel and seed to late stage funding. Significantly, large funds are now available to finance later stage deals. For example, in 2017, Tokopedia's \$1.1 billion Series F and Grab's \$2 billion Series G funding were worth more than all of that year's other deals combined.

The flow of funding over the past five years shows that SEA has a vibrant tech startup ecosystem. From 2013 to 2018, there were 1,412 investments totaling about \$11 billion. Singapore received the most funding of any city or nation in SEA; it is also where most of the region's VC funds are held. Vietnam is the minnow of the region, with the least funding and lowest number of deals.

Seed rounds represented more than half of all venture deals in 2017, and more than 65 percent of deals were for less than \$2 million.

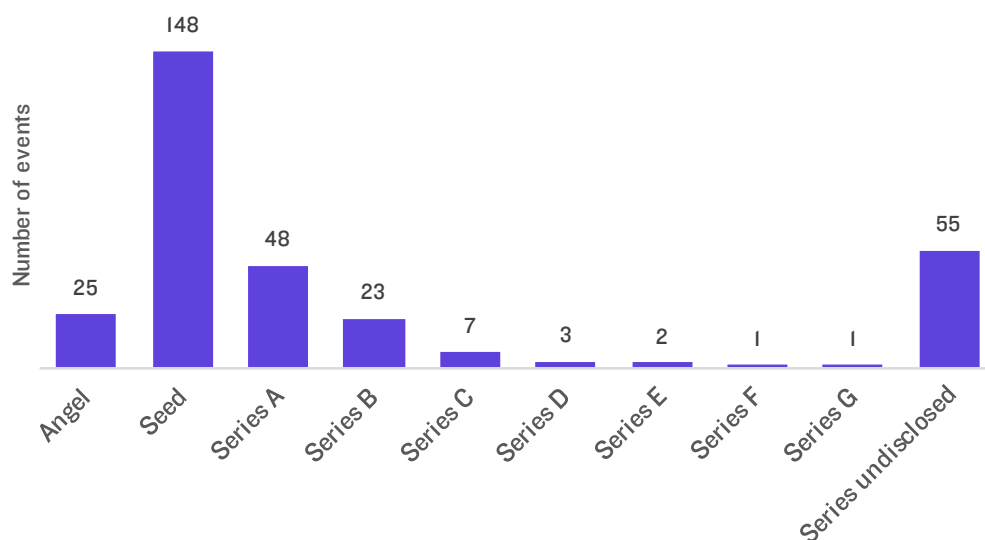
The late stage funding gap

While the availability of funding in SEA has generally improved in the last few years, large gaps still exist, according to AJ Azizuddin, director at Mountain Partners Malaysia. “Series A are pretty well covered, but there is still a gap in Series B-C, for VCs—there is lots of work to be done,” he said.

Michael Lints, partner at Golden Gate Ventures, agreed that there was a late-stage funding gap. “The impact is that companies get acquired too early,” he said.

Lints added that he thought it would be three or more years before the region saw a large flow of exits, especially from its growing herd of unicorns. “Just look at global data—it takes seven to eight years before a company is able to create real shareholder value,” he said.

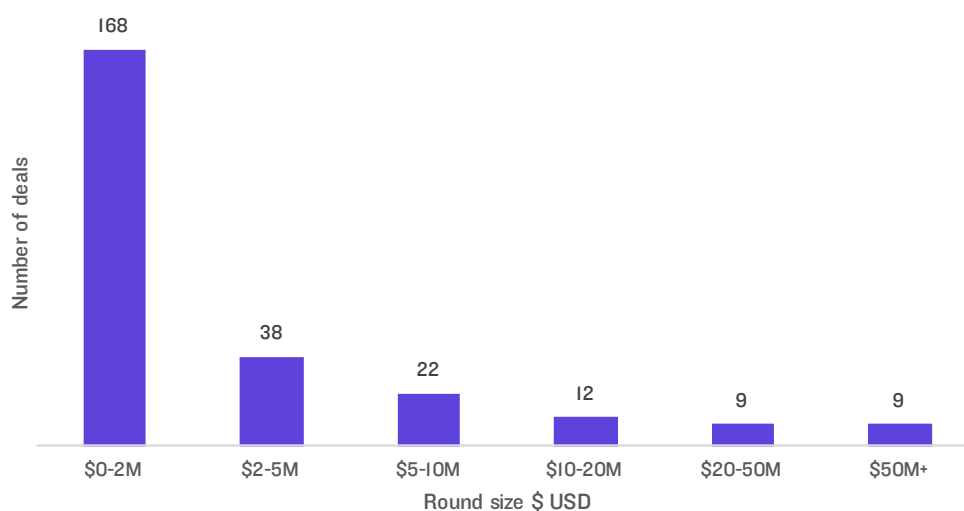
2017 Number of rounds raised by stage



Note: Countries represented: Singapore, Malaysia, Thailand, Philippines, Vietnam, Indonesia

Source: Crunchbase data, Slush Singapore analysis

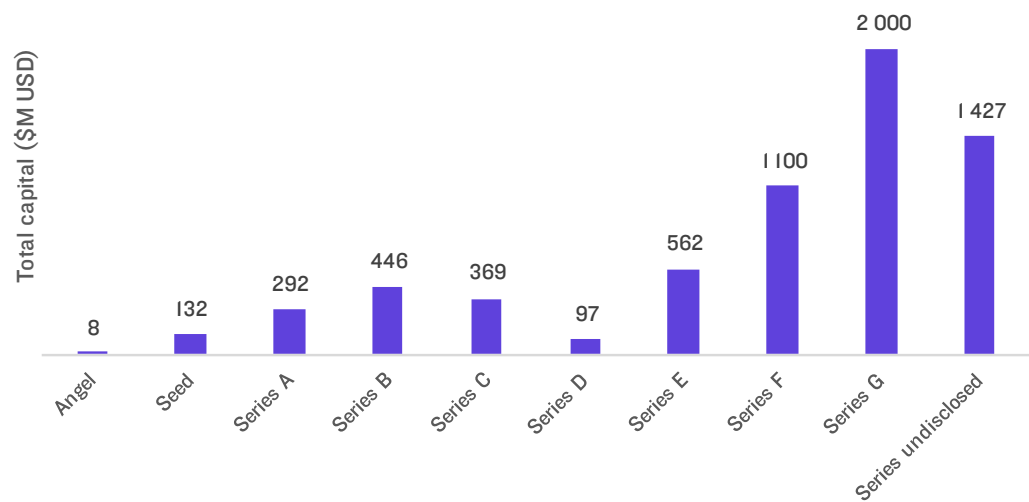
2017 Number of deals by round size



Note: Singapore, Malaysia, Thailand, Philippines, Vietnam, Indonesia

Source: Crunchbase data, Slush Singapore analysis

Total capital invested by funding stage (2017)



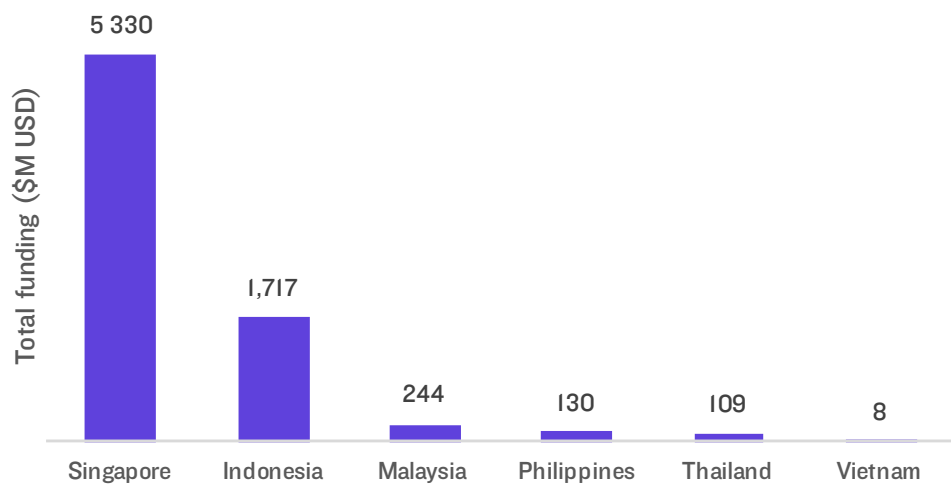
Note: Countries represented: Singapore, Malaysia, Thailand, Philippines, Vietnam, Indonesia
Source: Crunchbase data, Slush Singapore analysis

Most funding dollars flow into a few tech hubs

Singapore and Jakarta received the most startup funding of all cities in SEA between 2013 and 2018. Singapore received the greatest investment—\$8.4 billion for 888 deals over that five-year period, compared to Jakarta's \$1.6 billion for 228 deals. Grab accounted for a sizeable chunk of the dollars invested in Singapore; the ride-hailing company raised \$2 billion in July 2017 from Didi Chuxing and Softbank.

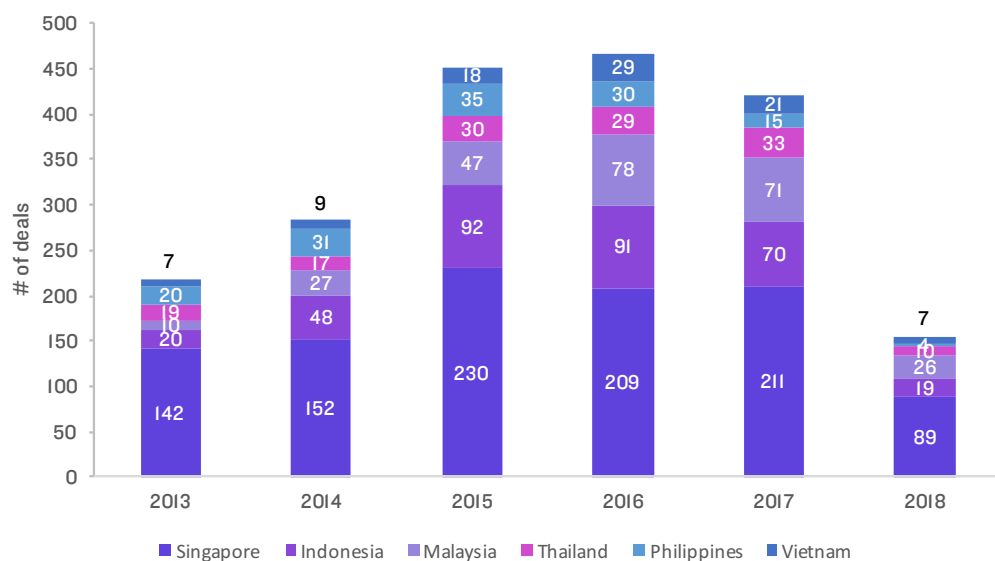
Only 46 deals were signed in Ho Chi Minh City, totaling \$124 million—the smallest deal count and scoring the lowest in terms of total investment of the top five cities. Manila did not make the top five at all. In terms of startup funding, the Filipino capital is still catching up to its peers in the region; however, efforts by corporates and foreign funds in the country in the last year have been encouraging.

Amount of funding by country (2017)



Source: Crunchbase, Slush Singapore analysis

Total number of deals by country (2013-2018)



Note: Only includes angel, seed, series A through I, and series unknown / undisclosed funding

Source: Crunchbase data, Slush Singapore analysis

Top 5 cities by investments (2013-2017)

City	Total # of investments (2013-2017)
Singapore	805
Jakarta	214
Kuala Lumpur	123
Bangkok	111
Ho Chi Minh City	44

City	Median \$ amount of investments (2013-2017) (*10 or mor inv.)
Jakarta	\$1.5M
Singapore	\$750K
Bangkok	\$550K
Kuala Lumpur	\$500K
Ho Chi Minh City	\$500K

City	Average \$ amount of investments (2013-2017) (*10 or mor inv.)
Jakarta	\$20.4M
Singapore	\$13.1M
Bangkok	\$4.7\$M
Kuala Lumpur	\$4.5M
Ho Chi Minh City	\$4.2M

City	Total \$ amount of investments (2013-2017)
Singapore	\$7.8B
Jakarta	\$1.6B
Kuala Lumpur	\$415M
Bangkok	\$339M
Ho Chi Minh City	\$121M

Note: Only includes angel, seed, and series A through I funding

Countries represented: Singapore, Malaysia, Thailand, Philippines, Vietnam, Indonesia

Source: Crunchbase data, Slush Singapore analysis

In the past few years, several homegrown VCs have established themselves to support SEA tech startups. Their activities and successes have attracted international VCs to take a greater interest in the region as well. Our interviewees agreed that the availability of more funds is always welcome, no matter what their national origin.

As Kuo-Yi Lim of Monk's Hill Ventures said: "The SEA tech ecosystem can always use more venture capital, particularly those from high-quality VC firms with value-add and relevant strategies, regardless of whether the firm is a homegrown or an international one. All bring expertise, enhancing the ecosystem. Hopefully this raises the bar in the venture capital community and keeps the current players on their toes."

When it comes to startup funding, Singapore doesn't just lead the way among SEA cities, but among SEA nations, too. In 2017, startups in Singapore received almost three times as much funding as their Indonesian counterparts. Singapore also leads in deal count. Between 2013 and 2018, it grabbed more than 50 percent of all deals in SEA. Only in 2016 did Singapore slide a little, with 45 percent of all deals.

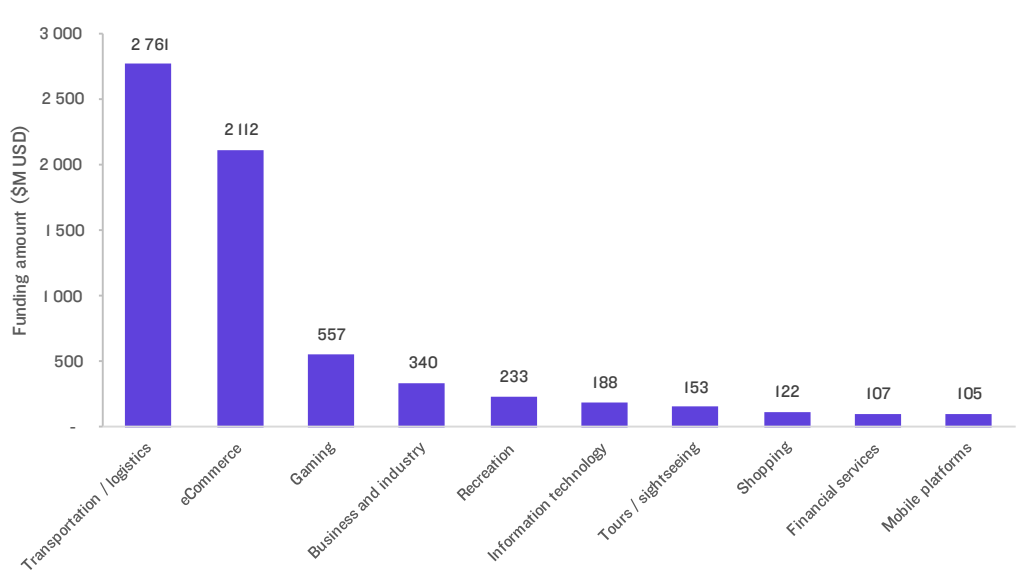
Obviously, entrepreneurs go where the funds are. They base themselves in the cities and countries where deals are most likely to be made, so that when they are ready for funding, they will be able to tap into those resources. If nations want to encourage startups and nurture a strong tech ecosystem, they must ensure their financial regulations support venture funding.

Logistics and e-commerce are king

The survey confirmed the general view that the twins of the consumer internet economy, logistics and e-commerce, dominate the regional tech startup industry. About three-quarters of all funding went to e-commerce and logistics startups in 2017.

Grab's and Tokopedia's record-breaking venture deals can also be attributed to the dominance of these two sectors. Collectively, they raised \$3.1 billion in funding, which is almost two-thirds of all funding dollars for e-commerce and logistics and almost half of all funding dollars overall.

Top 10 highest funded categories in SEA (2017)



Source: Funderbeam, Slush Singapore analysis

The darling of the VC community in recent years had been cryptocurrency, leading to many ICO (initial coin offering) deals in SEA. Singapore dominated the top ICO investments in 2017, with Quoine, TenX, and Kyber Network in the top three positions, raising the equivalent of \$105 million, \$80 million and \$60 million respectively. Tough ICO trading rules in China and South Korea prompted foreign startups to look outside those countries. Many landed in Singapore to hold their ICOs.

Top ICO investments in 2017

Company name	Country HQ	Date of investment	Amount (\$ USD)
Quoine	Singapore	Q4 2017	\$ 105,000,000
TenX	Singapore	Q2 2017	\$ 83,110,000
Kyber Network	Singapore	Q3 2017	\$ 53,010,000
OmiseGO	Thailand	Q2 2017	\$ 25,000,000
FinShi Capital	Singapore	Q3 2017	\$ 21,400,000
QtumOfficial	Singapore	Q1 2017	\$ 15,600,000
Indorse	Singapore	Q3 2017	\$ 7,980,000
TaaS	Singapore	Q2 2017	\$ 7,570,000
Coss	Singapore	Q3 2017	\$ 2,360,000
FundYourselfNow	Singapore	Q3 2017	\$ 740,000

Source: Funderbeam

2017 total
\$ 415.2M

TALENT

Talent is the vital resource that differentiates organizations from each other. Hire the right people with the right skills, and a new company will likely soar. However, in recent years the talent war has gone global, affecting every organization, startup hub and country in the world.

Talent needs are top of mind

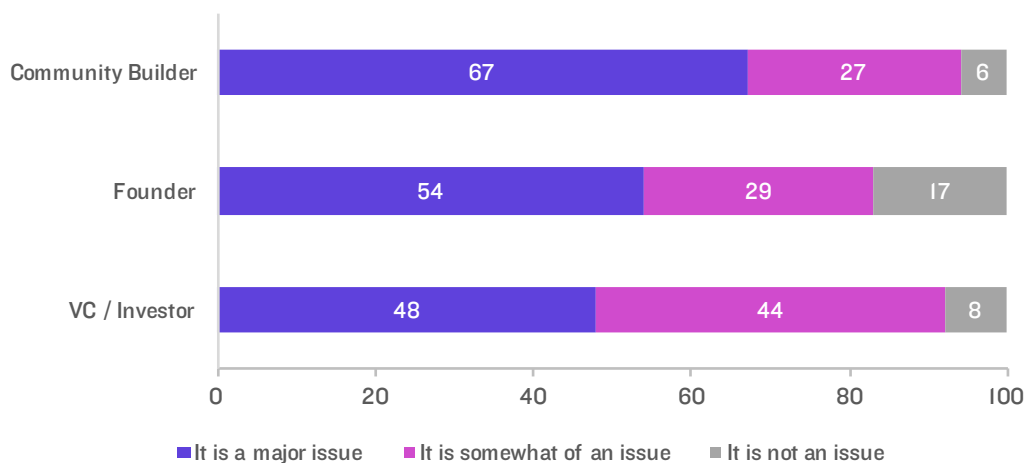
This war is an issue for all SEA ecosystem stakeholders. An incredible 90 percent of survey respondents believe the skills gap is a major issue for the tech industry. There is a great deal of tech talent in the region, but the workforce still needs more and stronger skills.

SyPhong Bui of OnOnPay said that science, technology, education and math education is strong across many SEA nations. "There is a good foundation for the development of regional tech talent. However, we need to better cultivate more abstract skills such as product-building, design, and market-execution skills which are best learned outside the classroom. Experienced entrepreneurs and investors must continue to facilitate or provide mentorship in these areas and demonstrate patience as their peers make mistakes and learn through experience."

Jimmy How of Involve Asia said that companies should get better at recognizing useful skill sets "outside the obvious... such as strong digital marketing talent or business process professionals." However, he also noted that offering basic computer science courses in high schools and creating incentives for companies to provide training to employees could also help bolster technical skills.

Skills gap

How do you think the skills of available talent is viewed in the SEA tech industry in general?

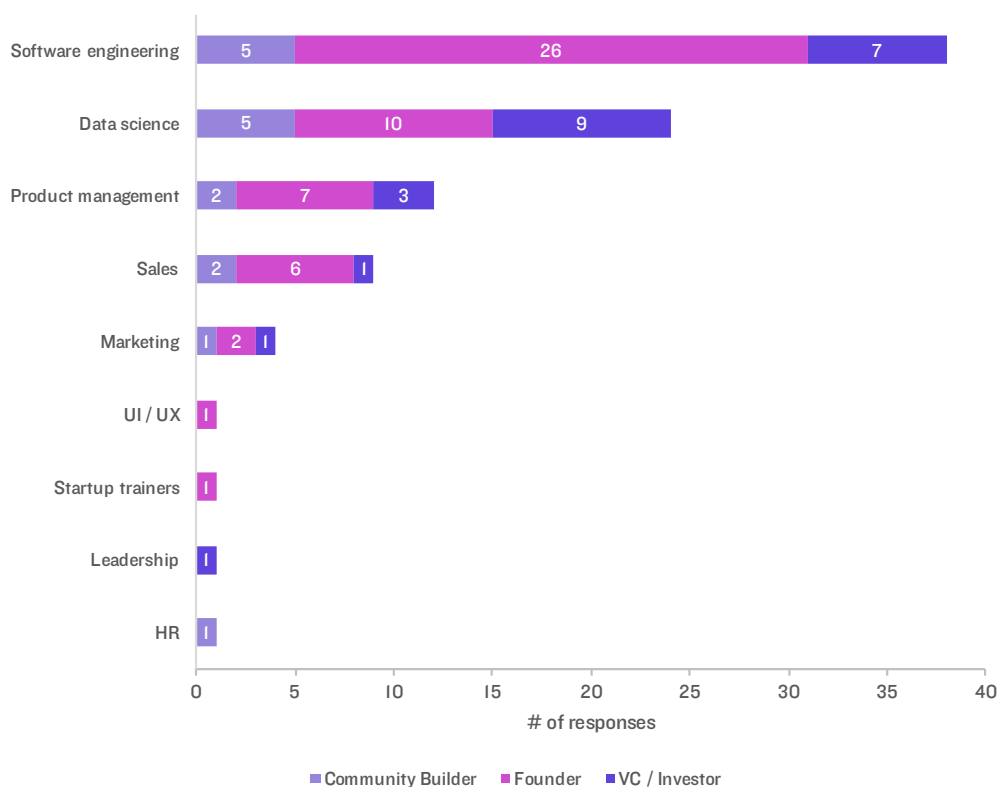


Source: 2018 State of SE Asian Tech Survey

The software development skills gap is still a key concern

Software engineering is the number one skill needed in SEA, according to our survey. Data science is a far second followed by product management.

Which functional skill sets are most challenging to hire?



Source: 2018 State of SE Asian Tech Survey

Singapore offers the strongest tech employment opportunities

Remuneration for software developers vary widely depending on where the startups they are working for are based. The average front-end developer in Vietnam earned \$21,500 a year, less than one-third of the salary of an applications developer in Singapore.

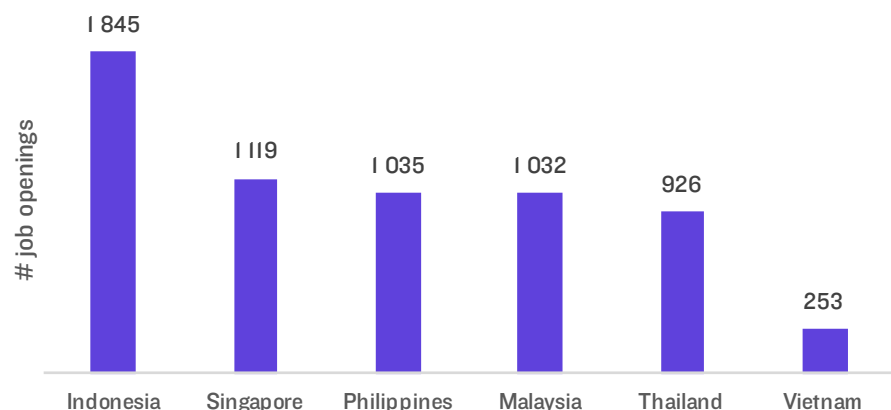
Among SEA nations, Indonesia has the highest demand for developers, probably because of its comparatively large population. On LinkedIn, there are more than a thousand professional software development job openings in Indonesia. Singapore put in an impressive showing as well, with 1,119 job vacancies to Indonesia's 1,845. These results aren't surprising, given that Singapore is often the regional headquarters for multinational corporations.

Developer salaries by country

Countries	Low end (USD)	High end (USD)	Average (USD)	Role
Indonesia	\$17,227	\$41,344	\$29,286	Software Developer
Kuala Lumpur	\$23,645	\$48,768	\$36,207	Software Engineer/Developer
Philippines	\$20,584	\$54,266	\$37,425	Developer (Web & Mobile)
Singapore	\$51,095	\$94,891	\$72,993	Applications Developer
Thailand	\$28,443	\$50,898	\$39,671	Software Developer
Vietnam	\$20,000	\$30,000	\$25,000	Java/PHP/.NET Engineer
Vietnam	\$18,000	\$25,000	\$21,500	Front-end Developer

Sources: [Robert Walters](#)

Software developer job openings by country



Source: [LinkedIn](#)

Major international tech companies with offices in SEA countries

	Vietnam	Thailand	Indonesia	Singapore	Malaysia	Philippines
Netflix				Yes		
IBM	Yes	Yes	Yes	Yes	Yes	Yes
Facebook		Yes	Yes	Yes	Yes	Yes
Google		Yes	Yes	Yes	Yes	
Microsoft	Yes	Yes	Yes	Yes	Yes	Yes
LinkedIn				Yes		
Twitter			Yes	Yes		
Skyscanner				Yes		
Paypal		Yes		Yes	Yes	
Cisco	Yes	Yes	Yes	Yes	Yes	Yes
VMWare				Yes		
SalesForce				Yes		
Amazon				Yes		
Booking.com	Yes	Yes	Yes	Yes	Yes	Yes
Intel	Yes	Yes	Yes	Yes	Yes	Yes
Agoda	Yes	Yes	Yes	Yes	Yes	Yes
Apple	Yes	Yes	Yes	Yes	Yes	Yes
Oracle	Yes	Yes	Yes	Yes	Yes	Yes
Samsung				Yes		
Country total	9	12	12	20	12	10

Source: Google

Salaries in SEA are still too low to attract world-class talent. Naysan Munusamy of MoneyMatch said it best: "At the end of the day, the world is pretty fair in terms of demand and supply. If you pay peanuts, you get monkeys. Do you have any idea how much a full stack engineer in a Series A startup in Silicon Valley is paid compared to a Malaysian Series A startup? Once you obtain this data for yourself, you will realize why SEA can't attract more skilled workers. It's really that simple."

The best workers and engineers work for the best startups, which offer the best remuneration packages. It is no different than other industries such as banking, he pointed out.

"Only when the funding scene in SEA changes, and the VCs here and investors start to accept much higher valuations, then would startups be able to offer the best remuneration packages and stop the brain drain of highly skilled workers and engineers who migrate elsewhere to find more lucrative opportunities for themselves and their families," Munusamy said.

One way to attract tech talent is to create connections with developed countries so as to identify potential candidates or perhaps to offshore work overseas. Barak Sharabi of Spark Accelerator said greater collaboration among entrepreneurs, companies, academia and government should be encouraged, perhaps as another way of tapping talent.

Tech skills are good, but as Jonathan Eg of Partipost pointed out, soft skills are also crucial because entrepreneurs need to communicate well with their employees, investors and customers.

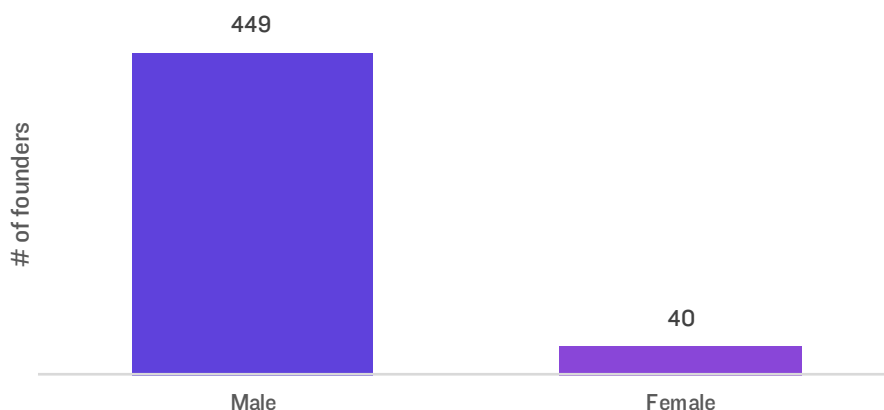
Views on gender diversity are mixed

Report after report in recent years by leading management consultancies like McKinsey & Co. have highlighted that companies with more gender and ethnic diversity are better able to win top talent, improve employee satisfaction and enjoy above average profitability.

In SEA specifically, for years women have been appointed to leadership positions in tech-related organizations in both the private and public sectors. Global firms such as IBM and Salesforce have started diversity programs also applicable to their SEA staff.

However, progress has been limited. Women still tend to be underrepresented in leadership positions at both tech startups and VC firms. The results of our survey show there is support for gender diversity, yet there is relatively little discussion of the issue within the tech ecosystem. This is surprising given current events like the #MeToo movement overseas, which have given the issue a good airing around the world.

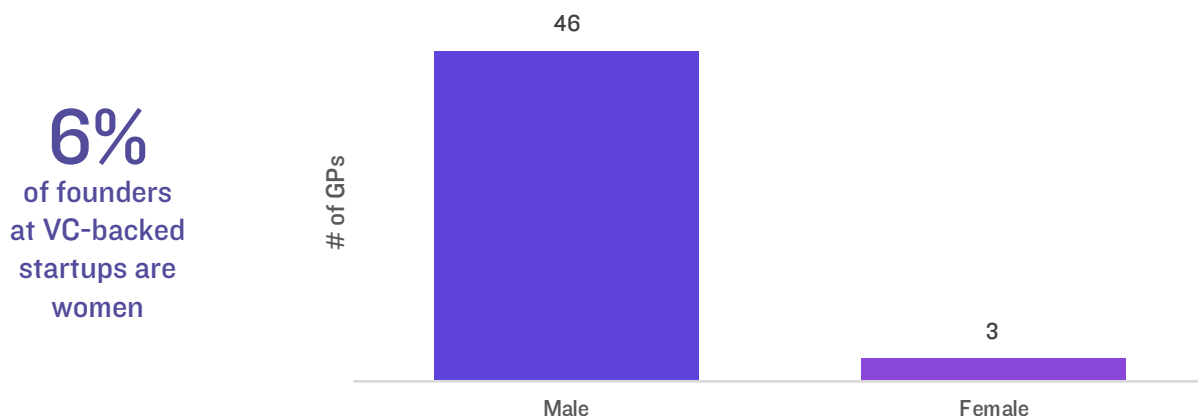
SEA founder gender breakdown



Source: Craft, Slush Singapore analysis

Notes: Consists of an analysis of a representative sample of 500 active, VC-funded startups. Gender data not attained for small percentage of founders.

SEA VC gender breakdown

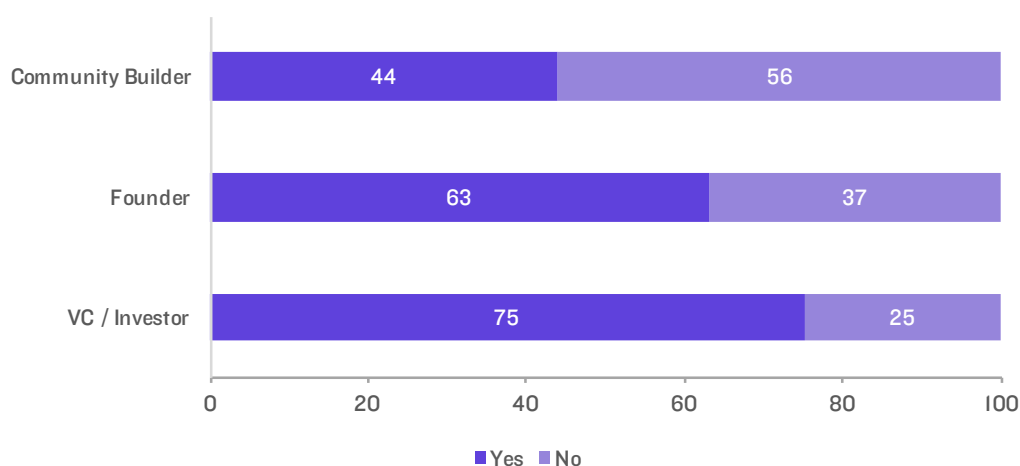


Source: Craft, Slush Singapore analysis

Notes: Consists of an analysis of a representative sample of 21 active VCs with partner presence in SE Asia

Is there a female on your executive team (e.g. founder, GP, or c-level exec)?

40%
of survey
respondents
do not have a
female exec at
their company

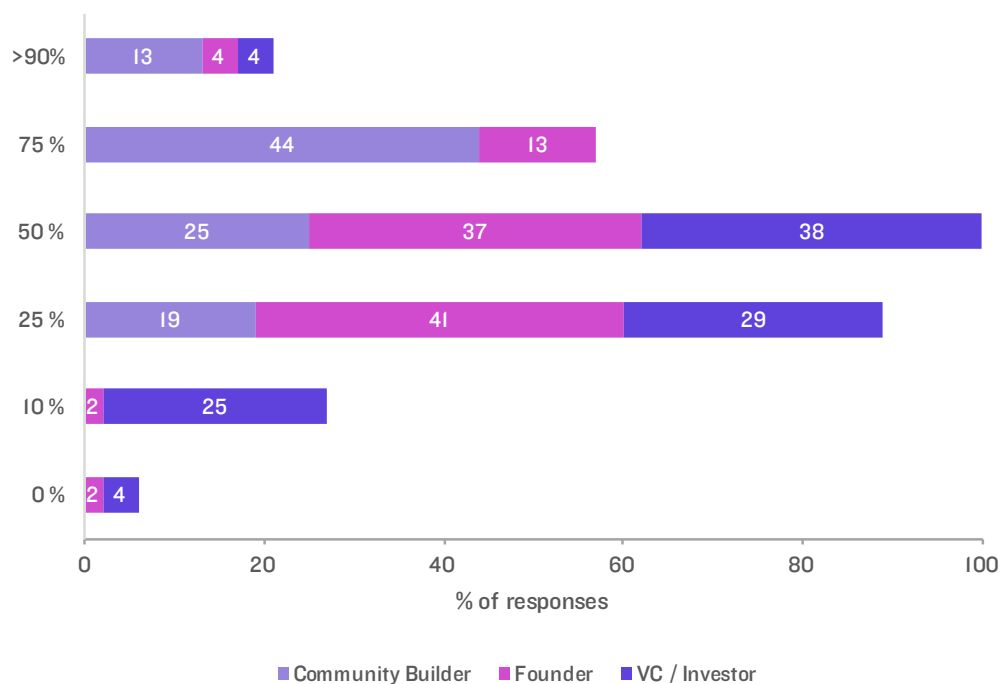


Source: 2018 State of SE Asian Tech Survey

However, the survey findings show a gleam of light. Most respondents said their firm had at least one woman on its executive team. However, that still left 40 percent of respondents at organizations with all-male leadership. These are pertinent issues that will perhaps be pursued in the next edition of this report.

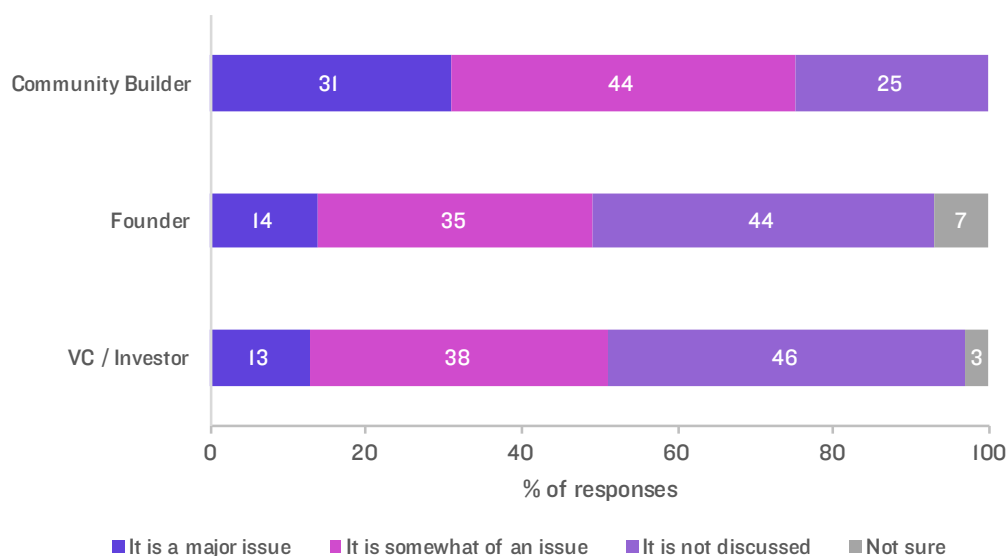
Among employees, gender diversity varied greatly. Fifty-eight percent of VCs/investors and 45 percent of founders said that women comprised less than half of their workforce. Community builders have the best employment figures; 57 percent said that their workforce was at least three-fourths female.

Approximately what percentage of your workforce is female



Source: 2018 State of SE Asian Tech Survey

How do you think gender diversity is viewed in the SEA tech industry?



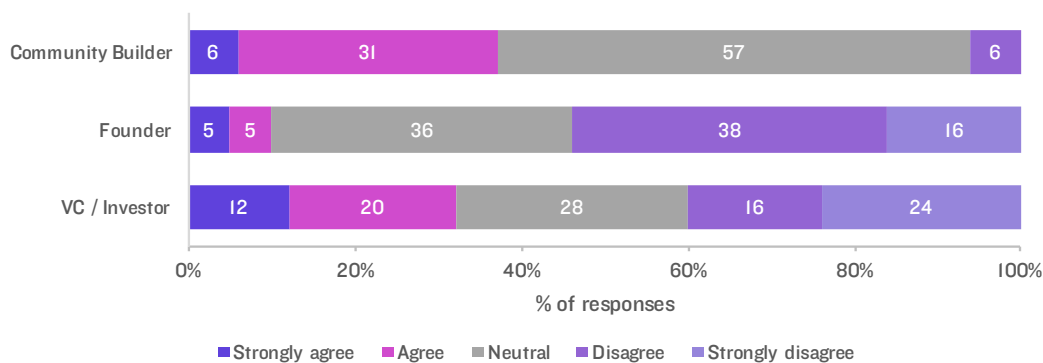
Source: 2018 State of SE Asian Tech Survey

The fact that gender diversity is little discussed in the tech industry is the most eye-opening finding of our survey. It could mean that culturally, gender diversity is a sensitive topic which requires a light tread.

To test respondents' attitudes towards encouraging gender diversity, our survey asked whether investors should fund more companies with female founders. The response was mostly negative. Most respondents believed that gender in the founding team should not be an important consideration for investors.

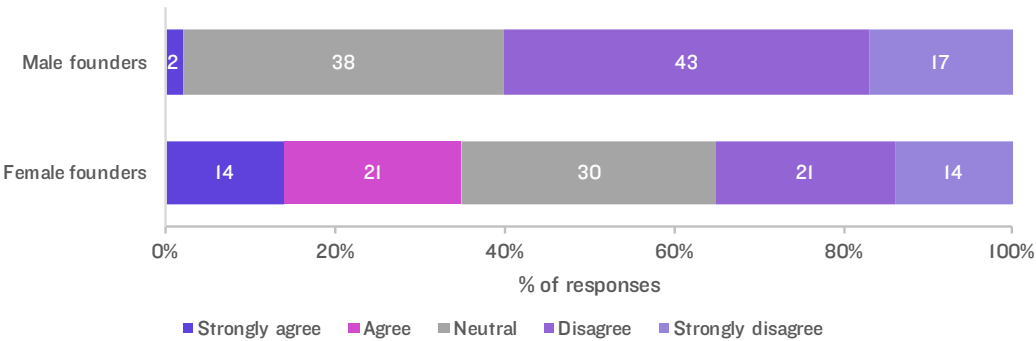
Interestingly, it was founders themselves who were against the idea: 54 percent of them disagreed or strongly disagreed. However, that response was split along gender lines. Thirty-five percent of female founders supported this move, compared to only 2 percent of male founders.

Respond to the following statement: The gender composition of the executive team should be a factor in choosing to invest in a company.



Source: 2018 State of SE Asian Tech Survey

Respond to the following statement: The gender composition of the executive team should be a factor in choosing to invest in a company



Source: 2018 State of SE Asian Tech Survey

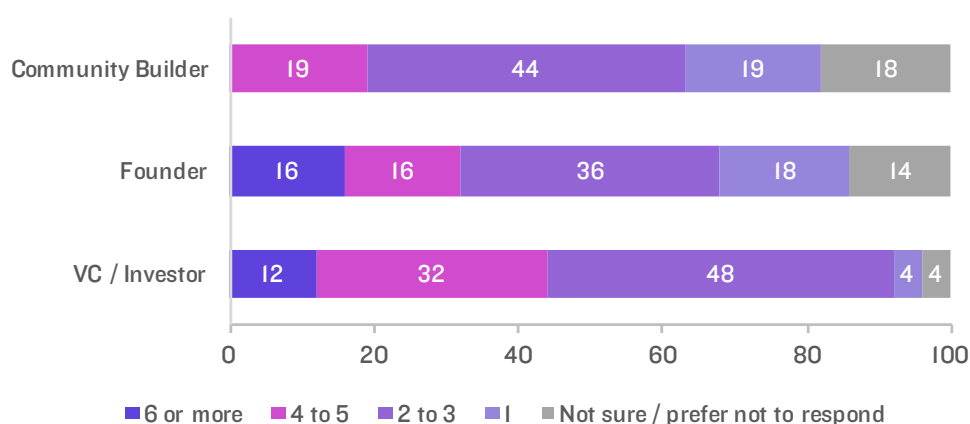
Asked what can be done to support more women to move into the tech industry, Shariha Khalid Erichsen of Impact Hub Kuala Lumpur said: “Investors, governments, and other stakeholders can support women in tech by unlocking more capital, providing capacity building programs tailored to the needs of women in the industry. They should also actively share stories of women tech entrepreneurs to inspire others, for example, by creating role models.”

Southeast Asian tech is ethnically diverse

Visit any startup in SEA today, and chances are it is a mini-United Nations. Among the staff, there will be faces from different countries around the region as well as from further out; Europeans, Americans, Russians, and others will be well-represented.

Why this great variety? Many foreign professionals with special technical skills have been hired to work in SEA. Others are attracted by the national incentives to found their companies in the region. Yet others used to be former staff of multinational corporations working in SEA offices, but elect to settle here for family reasons or because they see the business potential in the digital economy.

Approximately how many ethnicities are represented in your workforce?

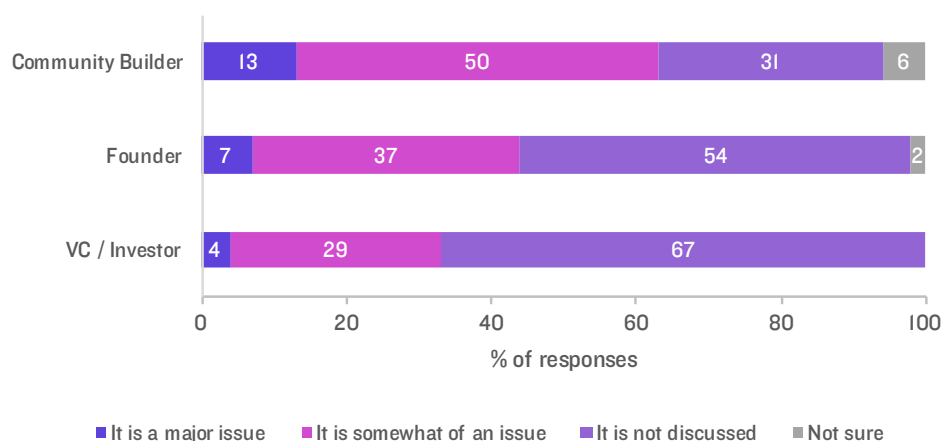


Source: 2018 State of SE Asian Tech Survey

This diversity shows up in the survey findings. Most respondents said that at least two to three ethnicities were represented on their company's staff. Investors have the most diverse staffs, with 92 percent of respondents saying that multiple ethnicities were represented. Like gender diversity, ethnic diversity is not widely discussed within the SEA tech ecosystem; however, perhaps that is because most offices already are ethnically diverse.

Interestingly, while community builders have the least ethnically diverse workforce, they were also most likely to acknowledge that the lack of ethnic diversity is an issue. It seems likely, then, that community builders may take action on it in the near future.

How do you think ethnic diversity is viewed in the SEA tech industry?



Source: 2018 State of SE Asian Tech Survey

PORTRAIT OF A SOUTHEAST ASIAN FOUNDER

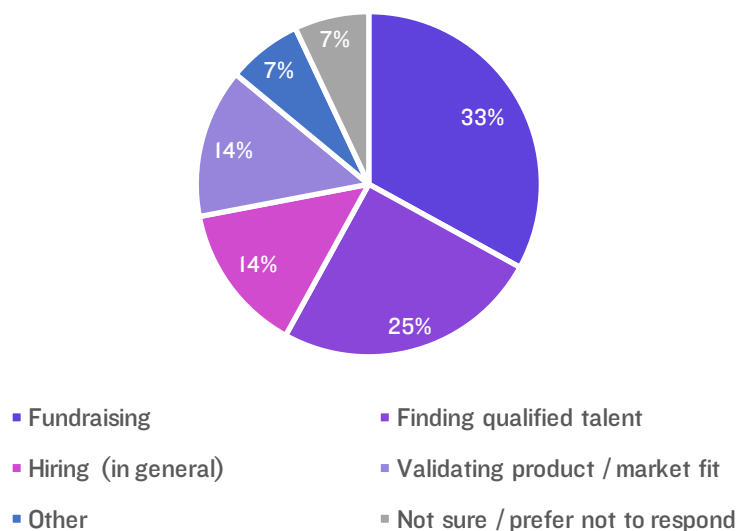
In popular culture startup founders are often depicted as lone geniuses working on their own to achieve visionary goals. But really, who are they? What makes them tick?

Key insights from founder survey

Our survey findings describe founders in SEA as a diverse bunch, coming from various academic backgrounds and work history. The key findings are:

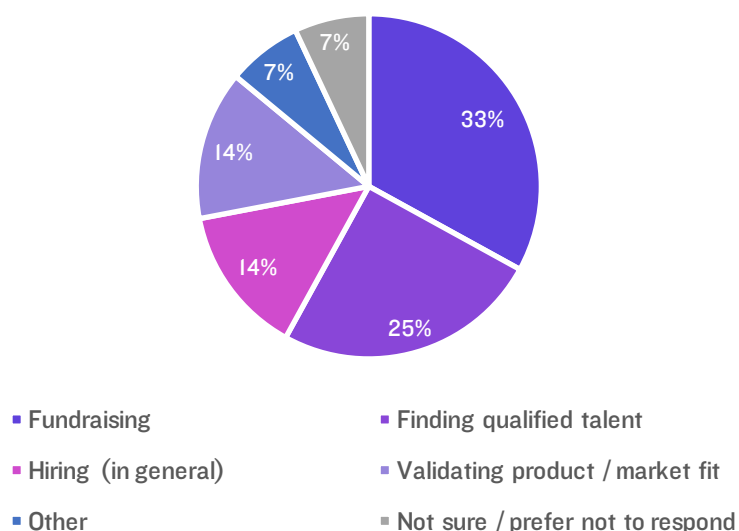
- Many were repeat entrepreneurs which showed that serial entrepreneurship is on the rise in SEA. Once bitten by the startup bug, it is hard to go back being an employee.
- Most founders teamed up with others and became co-founders in at least a team of two.
- Many have raised up to \$2 million to date, with a handful raising more.
- Most are “young” founders, still in the pre-seed or seed stage of funding.
- Their greatest challenge is fundraising, followed by finding relevant talent.
- Founders and VCs were mostly educated abroad.
- Most had a bachelor's degree, while only a handful had PhDs.
- About half of the founders had technology degrees, one-third received engineering degrees and the rest received business degrees.

What is the single greatest challenge right now for your organization?



Source: 2018 State of SE Asian Tech Survey

What is your academic training in?



Source: 2018 State of SE Asian Tech Survey

The role of “Sea Turtles”

Most of the founders we surveyed were born or raised in SEA but educated abroad. In SEA it's widely believed that these “sea turtles” (returnees from abroad) have a key role to play in the startup ecosystem in SEA. By applying the knowledge they gained in more developed mature startup hubs like Silicon Valley, they may help kickstart the tech economy at home.

The high number of “sea turtles” among our founders supports that hypothesis. Over 80 percent of respondents believe that both “sea turtle” tech founders and employees have an advantage over locals without international experience.

Most investors and community builders who responded to our survey had been educated abroad as well. Of the many respondents who had spent time abroad, most were gone for no more than 5 years and returned within at least the last 10 years.

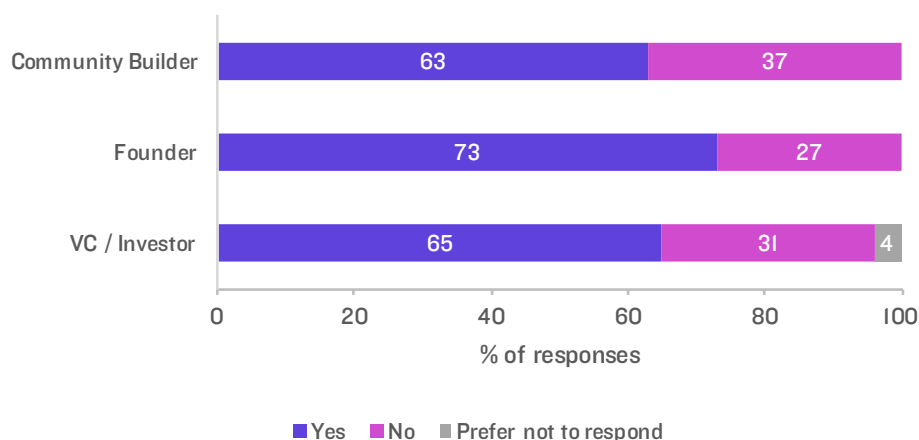
This suggests that international experience may be vital for founders, given the business connections and experiences that time abroad offers. But as the ecosystem continues to mature, there will be less need to go outside of the region to find this experience; startups and tech employees will be able to gain industry knowledge, both regionally and internationally, from local experienced entrepreneurs, VCs and community builders.

A. Balasubramaniam of MDEC observed that time abroad may expose “sea turtles” to new ways of thinking. “Not only does cultural immersion give them a new mindset and mindshare, but it helps them challenge the status quo back home,” he said.

“Being abroad opens up the mind and establishes relevant and useful networks - especially for ‘sea turtles,’” added Umar Munshi, co-founder of Ethis Ventures and Ethis Crowd. “But, there is no ideal profile of a successful tech founder in Southeast Asia. I believe that local-bred founders will catch up and co-lead tech in SEA.”

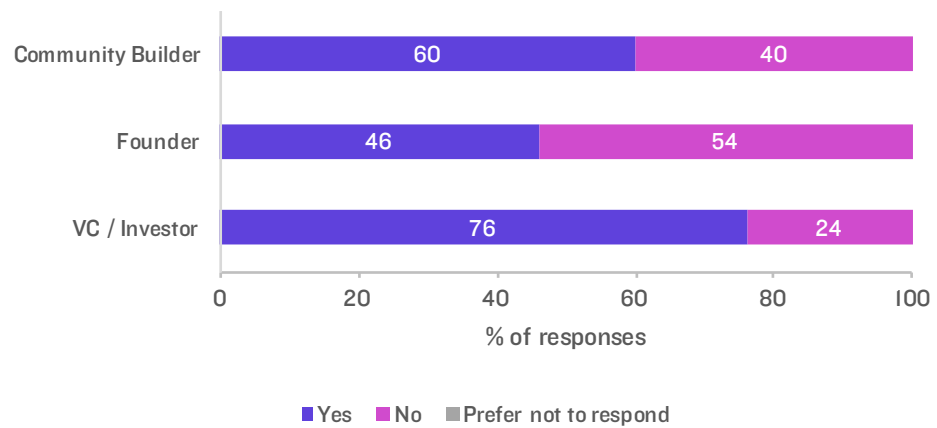
Bambu founder and CEO Ned Phillips agreed that the playing field is open for founders of varying backgrounds. “A successful tech founder in SEA needs to have relentless positivity and strong sales. Plain and simple,” he said.

Were you born in and/or grew up in SE Asia?



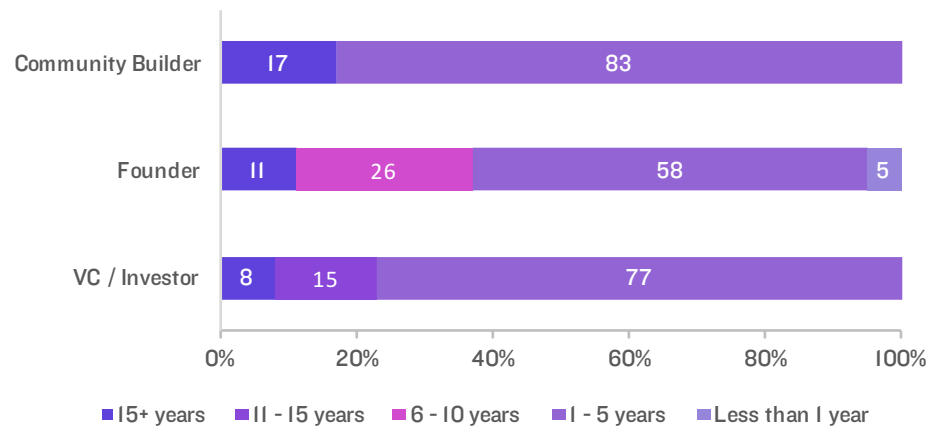
Source: 2018 State of SE Asian Tech Survey

Were you born in and/or grew up in SE Asia?



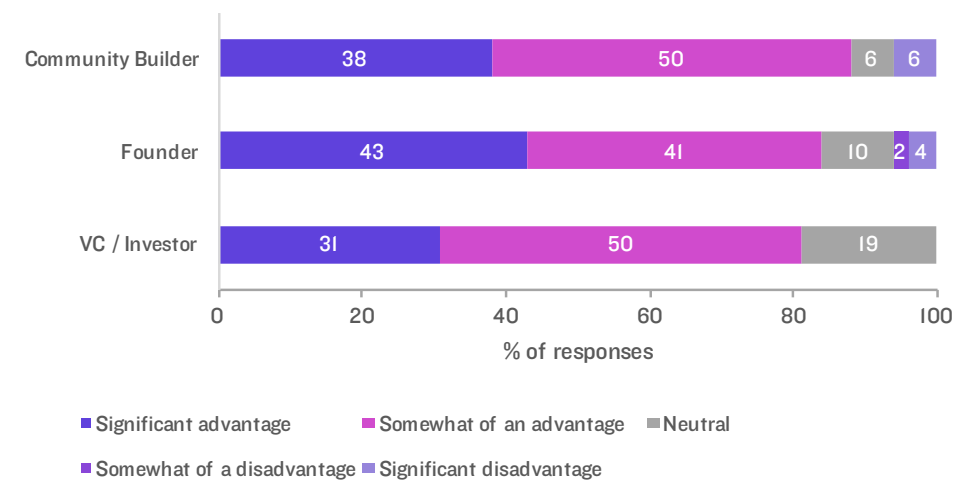
Source: 2018 State of SE Asian Tech Survey

If yes, how many years were you away?



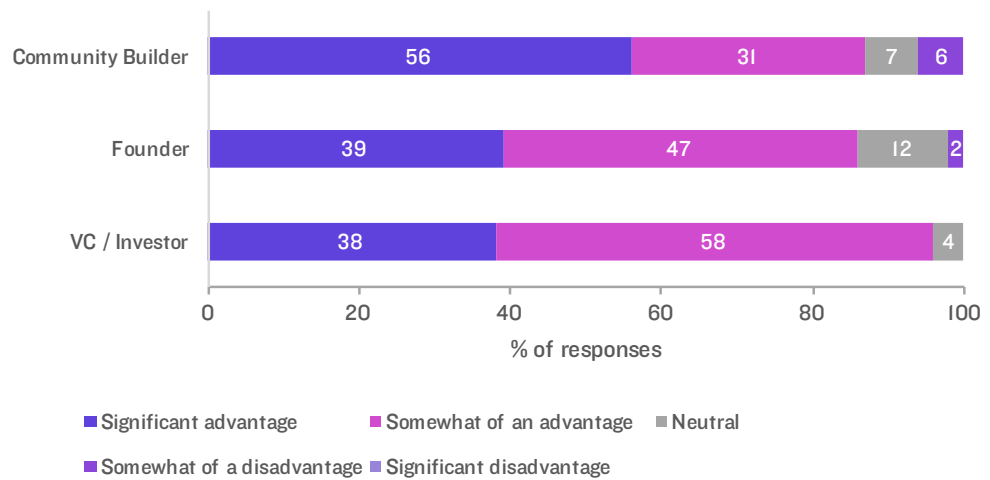
Source: 2018 State of SE Asian Tech Survey

How do "sea turtles" compare to local SEA FOUNDERS without international experience?



Source: 2018 State of SE Asian Tech Survey

How do "sea turtles" compare to local TECH EMPLOYEES in SEA without international experience?



Source: 2018 State of SE Asian Tech Survey

07 COMMUNITY

In biology, an *ecosystem* is a community of organisms interacting in a given environment. In a tech ecosystem, community also matters a lot. People must be able to meet, talk, share, collaborate and experiment. When these activities can occur easily and naturally, the ecosystem thrives, resulting in the flow and sharing of ideas, talent, and capital.

People build ecosystems. Community hubs like co-working spaces and accelerators can be fertile ground for forging connections among founders, investors, and stakeholders. Investors also play a role. Foreign VCs seeking to invest in SEA countries visit the region frequently, and some have opened offices in SEA cities too. As they seek out funding opportunities, they plug into each country's unique startup ecosystem. As a result, they help bind the entire region more closely together.

SEA governments have also encouraged cross-border investments as they work towards building a common economic region. However, hurdles remain. Legislation and financial regulations form the biggest challenges, followed by differences in culture and language.

Balasubramaniam of MDEC summed it up: "Differing government policies, how easy to do business in another country and different taxation laws can still create divisions in the Southeast Asian tech ecosystem."

For the fast-growing fintech sector, financial regulations are a huge stumbling block, said MoneyWatch's Munusamy. "As such, the national borders are very real for the fintech segment and will never dissipate as long as each country has its Central Bank with its unique regulations."

In the health industry, a clear understanding of the regulatory requirements and foreign investment rules for each market is crucial, said Raghu Rai of Jio Health. "The different policy frameworks and, at times, their respective ambiguity can result in confusion and hence a reluctance to enter a market."

For Aukrit Unahalekhaka, language and culture are big concerns when thinking of cross-border expansion. The co-founder and CEO of Thai social enterprise firm Ricult, Unahalekhaka said this issue is the biggest in Thailand, where "most founders don't think outside of country and about expansion."

Shariha Khalid Erichsen of Impact Hub Kuala Lumpur observed: "There seems to be less of an 'apparent border' within Southeast Asia due to the work of VCs with a regional focus. However, it is hard for entrepreneurs to cross national borders due to language, knowledge and network barriers."

VCs and community builders are taking the initiative to "open up" SEA. Although Casper Sermuksan of Indonesian online food delivery service Kulina admitted that there are not many cross-border collaborations in the past, there is light at the end of the tunnel. Currently, he is working with many companies in Thailand to understand Indonesia better.

"Collaboration can also be a push from VCs who visit companies in multiple countries and help connect their portfolio companies in learning about the other markets," he added.

What better way to open up the region than through encouraging tourism, enhancing logistics among SEA countries and improving immigration processes to facilitate easy travel, said Nadia Jalil of MyBump. "Initiatives in these areas that I like in particular are BorderPass and airport solutions by IER of Groupe Bolloré," she added.

Singapore remains a popular home base

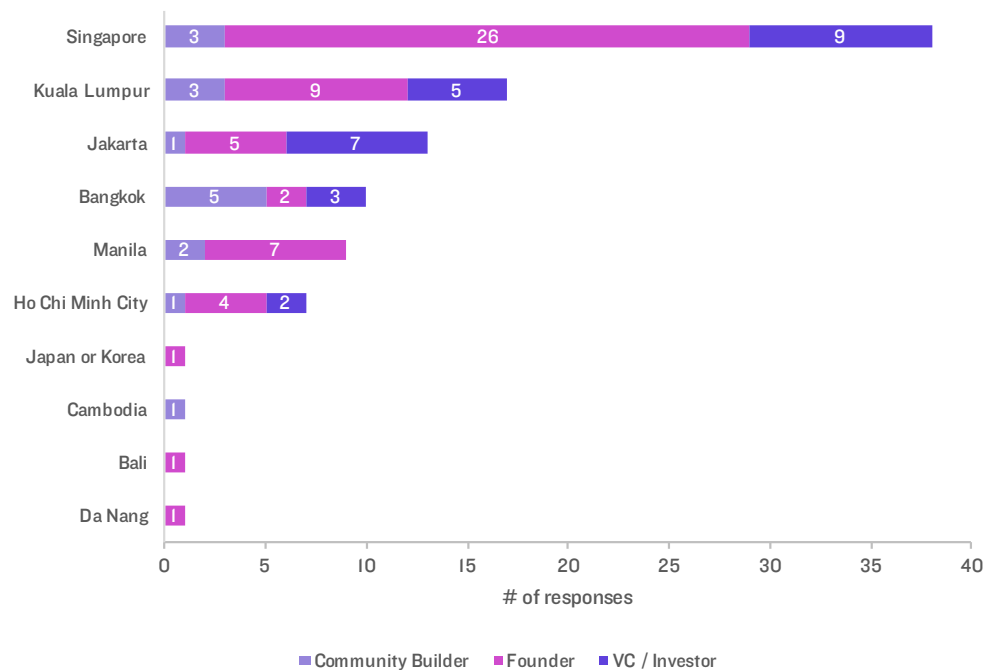
The growth of a strong tech ecosystem in SEA means that founders today have many attractive options for where to locate their startups. As cross-border funding increases, companies are not limited to just cities where major VC firms are located. Many cities are developing stronger pipelines for tech talent too.

Founders are willing to cross national borders, too. When asked where they would most like to found their next company, 77 percent of survey respondents answered a city different from the one where they are currently based.

However, one group of people didn't want to stray too far from home. Ninety-six percent of survey respondents based in Singapore said that they would prefer to start their hypothetical company in Singapore.

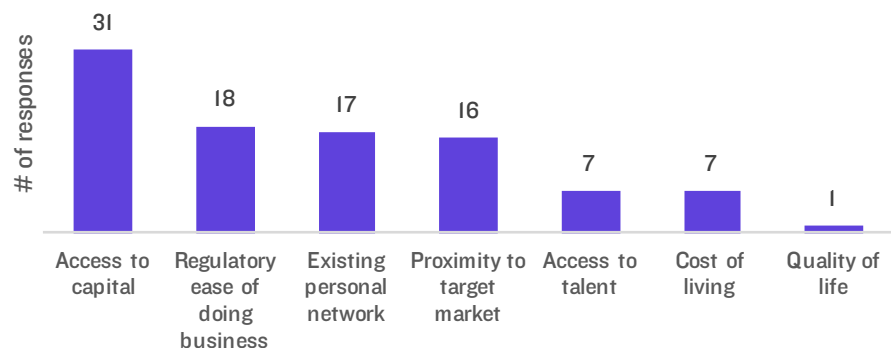
No surprises there. In Singapore, startups have access to VCs and capital as well as a richer ecosystem. As highlighted earlier in this report, many international VCs already have offices in Singapore. Despite its small size, the republic has the highest number of tech incubators in the region as well.

If you were starting a new company today, which city in SEA would you base it in?



Source: 2018 State of SE Asian Tech Survey

If you were starting a new company today, which factor would most influence your choice of location?



Source: 2018 State of SE Asian Tech Survey

Number of tech incubators / accelerators by country

Country	2016	2017	2018
Indonesia	2	-	-
Malaysia	5	5	6
Philippines	5	4	3
Singapore	23	19	19
Thailand	1	1	1
Vietnam	1	1	-

Source: Pitchbook

REGULATIONS & GOVERNMENT INCENTIVES

Governments in Southeast Asia are known for their strong involvement in the tech startup ecosystem. They want to give a leg-up to their fledgling entrepreneurs and newbie startups that need financial assistance to prove an idea, develop a prototype or test a new service. Help can come in the form of grants, financial incentives and initiatives to support startups in various activities including innovation and R&D, intellectual property protection, marketing and startup incubation.

Kuo-Yi Lim of Monk's Hill Ventures said governments are best positioned "to identify areas where risk capital is lacking." However, an initial, sustained shot is needed to kickstart the VC industry, and that best comes from the government. "This includes policies and programs in areas such as intellectual property protection, entrepreneurial education, and professional services expertise focused on tech such as legal and accounting, all of which are critical in the building of a robust, complete ecosystem."

Agreeing, Bikesh Lakhmichand of 1337 Ventures also pointed out that governments should "take risks on the earlier stages and facilitate policies to drive private sector funds/involvement into ecosystem."

SEA governments also participate in equity investment through their state sovereign wealth funds or government investment funds. Often these venture deals are larger investments in later stage companies. For example, Singapore's state-owned investment firm, Temasek Holdings, manages a portfolio worth more than \$300 billion, of which a large portion is invested in digital companies such as Alibaba and Ping An Insurance.

To promote business development and a level playing field, policymakers must also introduce new guidelines for business. New rules generally protect consumers and prevent fraud. They could be implemented as regulatory sandboxes where startups can test their revolutionary new ideas in a safe digital environment walled off from the public.

Some of our interview respondents felt that their countries' regulations were holding the startup ecosystem back. "I would like to see a major change on government regulations on foreign ownership, starting and shutting down companies, and financial support for tech startups, among other things. Currently it's very hard, and it's discouraging foreign investment and technopreneurship in general," said Artie Lopez, co-founder of Brainsparks, who is based in the Philippines. He also noted that several departments of the Filipino government were already working on reforms, and he was hopeful that change would come by the end of 2018.

Barbara Ximenez, CEO of Shutta, was concerned about internet security legislation that may pass in Vietnam in 2019. "If this were to happen, it would significantly complicate Vietnam's bid to become a tech startup nation," she said. While interviewees' individual viewpoints varied, it's clear that changing laws and regulations remain top of mind for many startups across SEA.

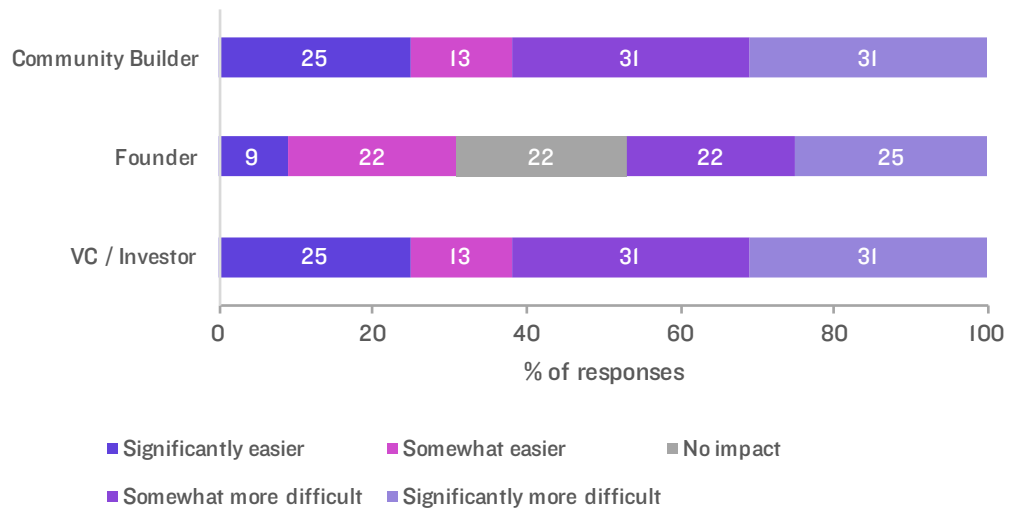
Most startups receive no government support

The survey findings show that 70 percent of respondents had not received grants or other monetary support from their governments. Neither have they participated in government programs aimed at supporting entrepreneurship. Given the wide availability of such grants and programs, this is a surprising response which merits deeper investigation in the next edition of this report.

Regulation is not an impediment to growth

Overall, survey respondents disagreed on whether government regulations impede startup development. Most investors said regulation made it easier to start and scale technology businesses in their country. Community builders, on the other hand, felt regulation had made it harder.

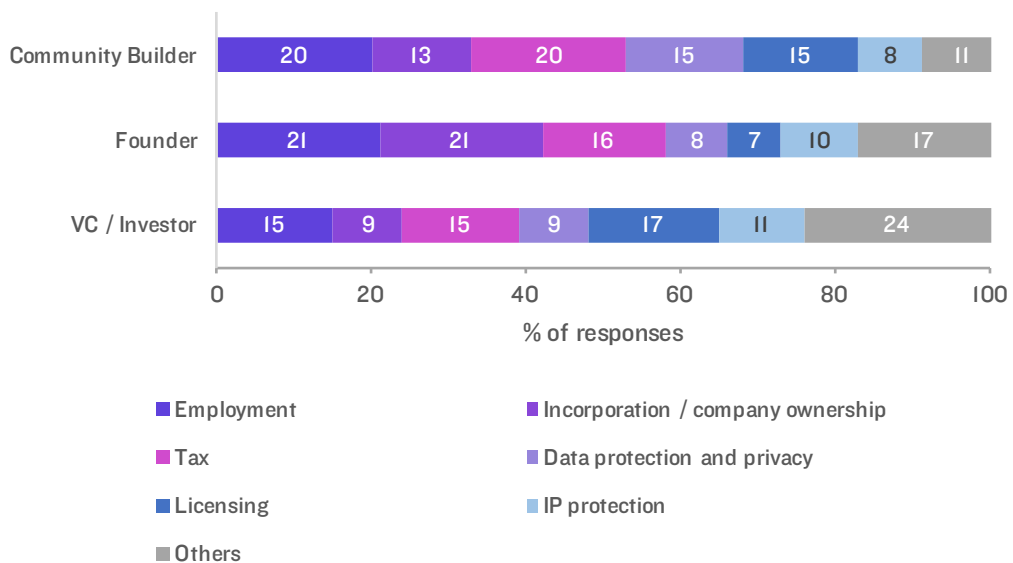
How has regulation in your country impacted the ability to start and scale technology businesses?



Source: 2018 State of SE Asian Tech Survey

It also wasn't clear which regulatory areas were most challenging for startups. Was it intellectual property protection, employment rules or tax issues? Responses were fairly evenly split for all of six areas our survey asked about. This is another issue for deeper investigation for the next edition of the report.

Which area(s) of regulation are most challenging for your company?



Source: 2018 State of SE Asian Tech Survey

WHAT'S NEXT

The SEA tech ecosystem has built up enormous momentum that is likely to result in strong growth going forward. In 2019 and beyond, we predict total funding and deal count to continue growing as they have over the past five years. Ecosystem interactions will increasingly cross borders as startups seek new markets and VCs expand their portfolio and investments to emerging opportunities in other countries. Regional integration will tighten, yielding an environment that is friendlier to swift international expansion. Acquisitions will likely remain the most common way for startups to exit, whether they are acquired by Chinese tech giants or local conglomerates. However, a few of the region's unicorns could have promising IPOs on the horizon, following Sea Limited's lead. Here are a few more of our predictions for what's coming next in SEA.

Crypto on the rise

SEA's crypto scene is booming. Startups like OmiseGo, Coins.ph, and others cater to the tech-savvy but often unbanked consumers in the region with blockchain-based fintech solutions. 2018 saw the launch of [SEA's first dedicated crypto fund](#), LuneX Ventures, which will help the ecosystem grow at an even more rapid pace. As of this writing, the spinoff of Singapore's Golden Gate Ventures is targeting to raise a \$10 million fund to focus on crypto.

Where ICOs are concerned, Singapore will remain the leader. However, expect Central Banks and stock exchanges to introduce new rules to supervise this new way of raising funds. In April, the Vietnamese government [announced a crackdown on crypto](#) after one fraudulent ICO scammed consumers out of \$660 million. It remains to be seen whether governments will help or hinder the crypto economy in SEA in the long run.

More unicorns to come

In early 2018, e-commerce platform Bukalapak became [SEA's seventh unicorn](#); it's also the fourth unicorn based in Indonesia. Indonesia's large consumer base offers new startups the opportunity to scale up quickly. Indonesia's Minister of Communication and Information has [predicted](#) that his country will yield a fifth unicorn by the end of 2018. Wherever it comes from, with SEA on track to realize a [\\$200 billion internet economy](#) by 2025, the region's next unicorn is unlikely to be its last.

China's role remains in flux

In the last few years Chinese tech giants Alibaba and Tencent have [greatly deepened their investment in SEA](#). In 2018, both went further, Alibaba doubled their stake in e-commerce company Lazada to \$4b, while Tencent participated in Go-Jek's \$1.5b Series E.

It is difficult to forecast with any accuracy whether other Internet giants from China (or the US) will snap up digital properties in the region. If they do so, it will be their way of entering a new market while staving off competition. There are certainly properties which are at a stage of development that make them ripe for acquisition.

Not everyone is happy about China's burgeoning influence. In August 2018, Malaysian Prime Minister Mahathir Mohamad made headlines by [canceling two major infrastructure projects](#) associated with China's Belt and Road Initiative. The Prime Minister said that the projects, which were initiated by his predecessor, were unnecessary and unaffordable; he also implied that they would leave his country in too much debt to China.

GLOSSARY

Blockchain: A digital decentralized, secure and transparent public ledger of all cryptocurrency transactions.

Community builder: A member of the tech space responsible for building, scaling, or coordinating the startup ecosystem. Examples include coworking spaces, incubators, and accelerators.

Cryptocurrency: A digital currency in which encryption (“cryptography”) techniques are used to regulate the generation of units of currency and verify the transfer of funds, allowing it to operate independently of a central bank.

Frontier tech: Areas of advanced tech that have significant R&D focus but that have not yet reached widespread commercial adoption. Current examples include: artificial intelligence/ machine learning, blockchain and cryptocurrency.

ICO: Stands for “Initial Coin Offering.” A form of crowdfunding using cryptocurrencies, wherein a startup offers a quantity of a new cryptocurrency to investors, in the form of financial devices called “tokens,” in exchange for legal tender or other cryptocurrency. Tokens are expected to convert to functional units of currency once the ICO's funding goal is met and the project launches.

Sea Turtles: Startup and tech professionals who were born in SEA and spent a significant period abroad (usually for education) before returning to the region.

Unicorn: A startup that has achieved a valuation of \$1 billion or more.

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This report wouldn't be possible without the help of many contributors - here we say a big thank you to our partners and interviewees.

About Monk's Hill Ventures

Monk's Hill Ventures is a partnership of seasoned entrepreneurs who have built and backed global companies from Silicon Valley to Singapore. We are a venture capital firm investing in post-seed stage tech startups that are poised to take advantage of the fast-growing Southeast Asian markets.

Our team has over a century of combined experience, and a proven track-record of success. The Fund was founded by Mr. Peng T. Ong and Dr. Kuo-Yi Lim, investors with proven track records who were also technology entrepreneurs with deep operating experiences.

Mr. Peng T. Ong is one of the most successful technology entrepreneurs from the region. He was a co-founder of Match.com, which was now part of IAC, followed by Interwoven, Inc., which went public on NASDAQ before HP eventually acquired it. After his time at Interwoven, Peng founded Encentuate, Inc., that IBM acquired in 2008. Peng then joined GSR Ventures as a Venture Partner in Beijing, prior to founding Monk's Hill Ventures. Peng received his Bachelors in Electrical Engineering from UT Austin and Masters in Computer Science from University of Illinois Urbana-Champaign.

Dr Kuo-Yi Lim was the CEO of Infocomm Investments ("IPL"), a US\$200 million fund, prior to founding Monk's Hill Ventures. Prior to IPL, Kuo-Yi founded SportsHook, a social media platform targeted at the sports industry. He was also an early member of Encentuate, which was acquired by IBM in 2008. Prior to that, Kuo-Yi was a founding member of Reputation Technologies Inc., which was acquired by Security Sources in 2002. He also had a stint with the Boston Consulting Group in Boston. Kuo-Yi received his Bachelors, Masters (Electrical Engineering) and PhD (Nanophotonics) from MIT.

Peng, Kuo-Yi and the rest of our leadership team have the entrepreneurial and operational experience necessary to take startups to the next stage of development. We don't just invest capital; we invest expertise. Having built companies ourselves, we have an intimate understanding of what it takes to turn an entrepreneurial vision into a competitive enterprise. We aren't simply investors; we are entrepreneurs backing other entrepreneurs.

We're Bullish on Tech

We believe deeply in the positive and increasing impact of technology on our world. Investing in technology companies has never been more attractive, as technology adoption reaches an inflection point. There are now nearly 5 billion mobile subscribers and more than 3 billion internet users globally. With quantum improvement in computing, building and scaling a technology company costs less than 10% of what it did 15 years ago. Leveraging technologies like big data, mobile, and cloud to build significant business is not only possible, but well within economic reach, especially in emerging markets such as Southeast Asia.

Window to the World

Based in Singapore and Jakarta, we offer a strategic location and endless opportunity. Singapore is an established and stable base from which to expand to the rest of Asia, while Jakarta is at the heart of a booming consumer economy in one of the world's most populous countries. With a population of over 600 million, Southeast Asia represents enormous potential on a global scale. With some of the most social and mobile users on the planet, the region presents fertile ground for the emergence of technology startup winners.

But location is nothing without knowledge. In the past decade we've built relationships across Asia—from Japan and China to India and Indonesia. We harness these relationships to help our companies successfully navigate the cultural nuances of various countries in the region.

Beyond Asia, we have become trusted advisers and partners to leading VCs in Silicon Valley. We have enabled leading global startups to tap into the potential for growth across Asia, while helping them overcome regional challenges and thrive.

Whether you are an Asia-based entrepreneur or a global startup looking to expand into Asia, Monk's Hill Ventures has the expertise and experience to take your venture to the next level.

About Slush Singapore

We are a catalyst. A global movement supporting the next level of groundbreaking founders.

The core of Slush Singapore is building a worldwide startup community for change-makers, by change-makers. Slush has always been about its spirit—an explosion of energy and drive.

Initiated in Helsinki, Finland, 10 years ago, Slush has always been a ground-up initiative, powered by volunteers and a passion for change. Throughout the years, the not-for-profit initiative grew into a world-renown tech startup event held in Helsinki, later spreading to Tokyo, Shanghai and Singapore. But the mission of Slush has remained the same: to help entrepreneurs succeed.

Slush Singapore was first organized in 2016 with the help of an enthusiastic community of startups, investors and other ecosystem players. Today, Slush Singapore sees some 3,000 attendees from over 70 countries gather in the heart of SEA every September to solve some of the biggest problems in technology and entrepreneurship. They are startups, investors, corporates and media. They are the change-makers.

Besides being a platform for startups, Slush Singapore is creating a pool of talent in the region. We are incredibly proud of the hundreds of volunteers we get to work with every year. We see their talent, drive and motivation to change the world. We want to continue supporting them beyond Slush Singapore and to offer companies in SEA a chance to work with some of the brightest minds of the future.

Finally, Slush Singapore is here for SEA. Being one of the most international events in the region, we are a bridge between the region and the rest of the world, connecting change-makers from all over the globe. We are thrilled to work with fantastic partners across SEA—from technology giants to small startups—to help the next generation of world-conquering entrepreneurs forward!

Interviewees

A group of 23 founders, venture capitalists and community builders within the tech space in Southeast Asia – selected for their years of experience – shared their insights with us. They are:

Quoted in the report



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Malaysia



AJ Azizuddin
Director
Mountain Partners Malaysia
Malaysia



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APPENDIX

As an additional resource, the following pages provide lists of incubators, accelerators, and co-working spaces in the region.

Incubators / Accelerators

Indonesia

Alpha Startups	Pre-Accelerator
Digitaraya	Accelerator
GnB Accelerator	Accelerator
Ideabox Ventures	Accelerator
IDX Incubator	Incubator
Indigo Incubator	Incubator
Kolaborasi	Incubator
Skystar Ventures	Incubator
Faster Capital (throughout SE Asia)	Incubator / Accelerator

Malaysia

1337 Accelerator	Accelerator
ADAPT accelerator	Accelerator
ASEAN Data Startup Accelerator	Accelerator
CLAS - Expara Vietnam Accelerator	Accelerator
Cyberview Living Lab Accelerator	Accelerator
Distro Dojo	Accelerator
Nexea Accelerator/iLabs Sunway Accelerator	Accelerator
Selangor Accelerator Programme 2018	Accelerator
SuperCharger Accelerator	Accelerator
The ASEAN Data Startup Accelerator	Accelerator
The Malaysian Global Innovation and Creativity Centre (MaGIC)	Incubator
Tune Labs	Incubator / Accelerator
WatchTower and Friends Accelerator	Accelerator
Techstars (also in Singapore)	Accelerator
AccelerAsia (also in Singapore, Indonesia)	Hybrid Accelerator / BD

Philippines

IdeaSpace Foundation	Incubator / Accelerator
Launchgarage	Incubator
StartUp Village	Incubator
Katalyst (also in Singapore)	Venture Builder

Singapore

AIRmaker	Accelerator
Antler	Venture Builder
Enchant	Accelerator
Entrepreneur First	Venture Builder
FinLab Accelerator	Accelerator
Get2Volume	Accelerator

Global FinTech Hackcelerator	Accelerator
Govin Capital	Accelerator
Idea Wave Labs	Venture Builder
Impact Hub Manila	Incubator
IncubAsia Ventures	Incubator
Innotech Ventures	Accelerator
InspirAsia	Accelerator
Joyful Frog Digital Innovation	Accelerator
NTUitive	Incubator
NUS Furnace	Incubator
Silicon Straits	Venture Builder
SMU Institute of Innovation & Entrepreneurship	Incubator
Stream Global	Incubator
LaunchPad Malaysia (also in Malaysia)	Venture Builder
Asia Pacific Internet Group (also in Thailand)	Venture Builder
ImpacTech (also in Thailand)	Incubator

Thailand

AIS the StartUP	Incubator
Allianz Ayudhya Activator	Incubator
Business Incubation Center (BIC)	Incubator
Depa Accelerator program x Techsauce	Accelerator
Digital Ventures	Incubator
Dtac Accelerate	Accelerator
Innohub by Bangkok Bank	Accelerator
KrungsriRISE	Accelerator
Spark Global Acceleration Program	Accelerator
The FinLab	Accelerator
True Incube	Incubator

Vietnam

Vietnam Innovative Startup Accelerator	Accelerator
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Co-working spaces

Indonesia	Bandung Digital Valley Cre8 Epica Lifestyle Offices EV Hive Freeware Spaces	GoWork Hubud kedasi Outpost Bali wework
Malaysia	2nd Space A space to _____. CO3 Social Office Collab Coworking Space ColonySpace Common Room Bangi	CommonGround DojoKL The Co Uppercase Whitespace International WORQ
Philippines	47 East A Clean and Well-Lighted Place for Work A SPACE	Arendo Coworking LOFT Coworking QBO
Singapore	Collective Works Collision8 Found. Just Co. The Co.	The Great Room The Hive Trehaus We Work
Thailand	Hubba Kohob Launchpad	Officefirst Silomspace Wolfcoworking
Vietnam	Circo Co-Space Dreanplex	Ka Konzept Neighborhub

