



# BeInTech Ventures

#kazakhstan technologysummit  
#ktech2019  
#k50

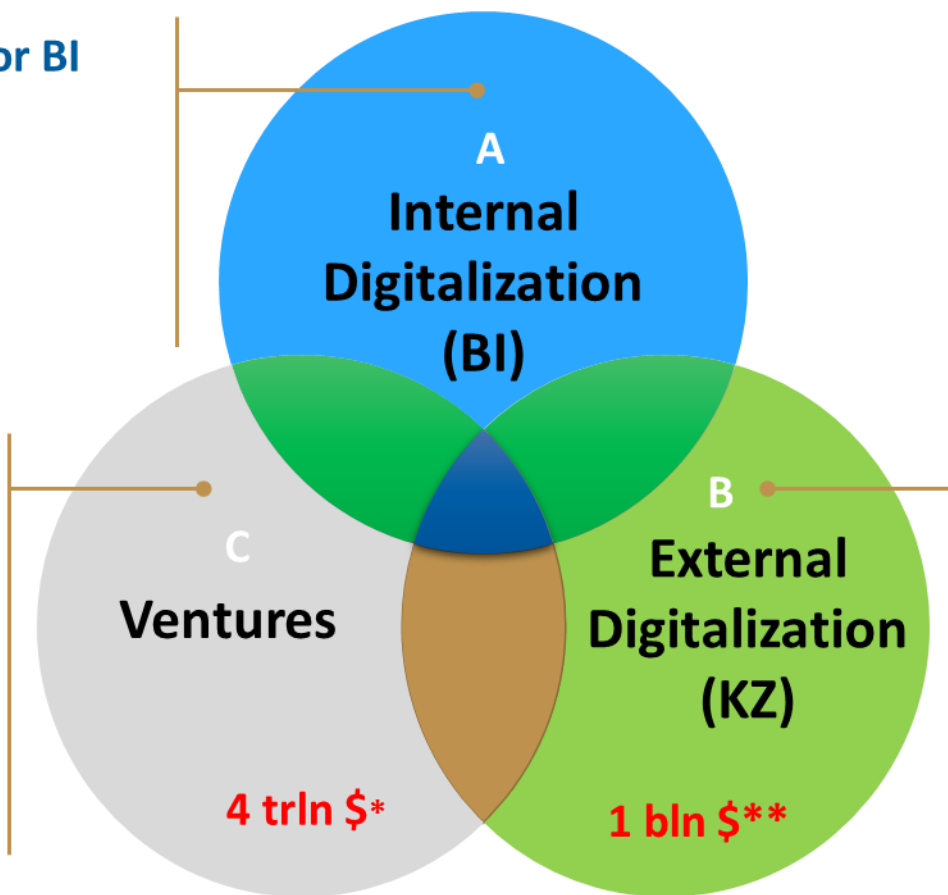


- World GDP is around 90 bln USD (nominal value, 1Q 2019)
- Construction industry size is 10 bln USD – 13% share in global GDP
- Less than 1% of overall VC investments go to the construction tech
- Out of more than 2000 VC firms only 8-10 have focus on construction tech.



- Internal IT projects for BI
- Building technology products for BI

- Создание и развитие венчурных проектов;
- Партнерство с другими венчурными фондами

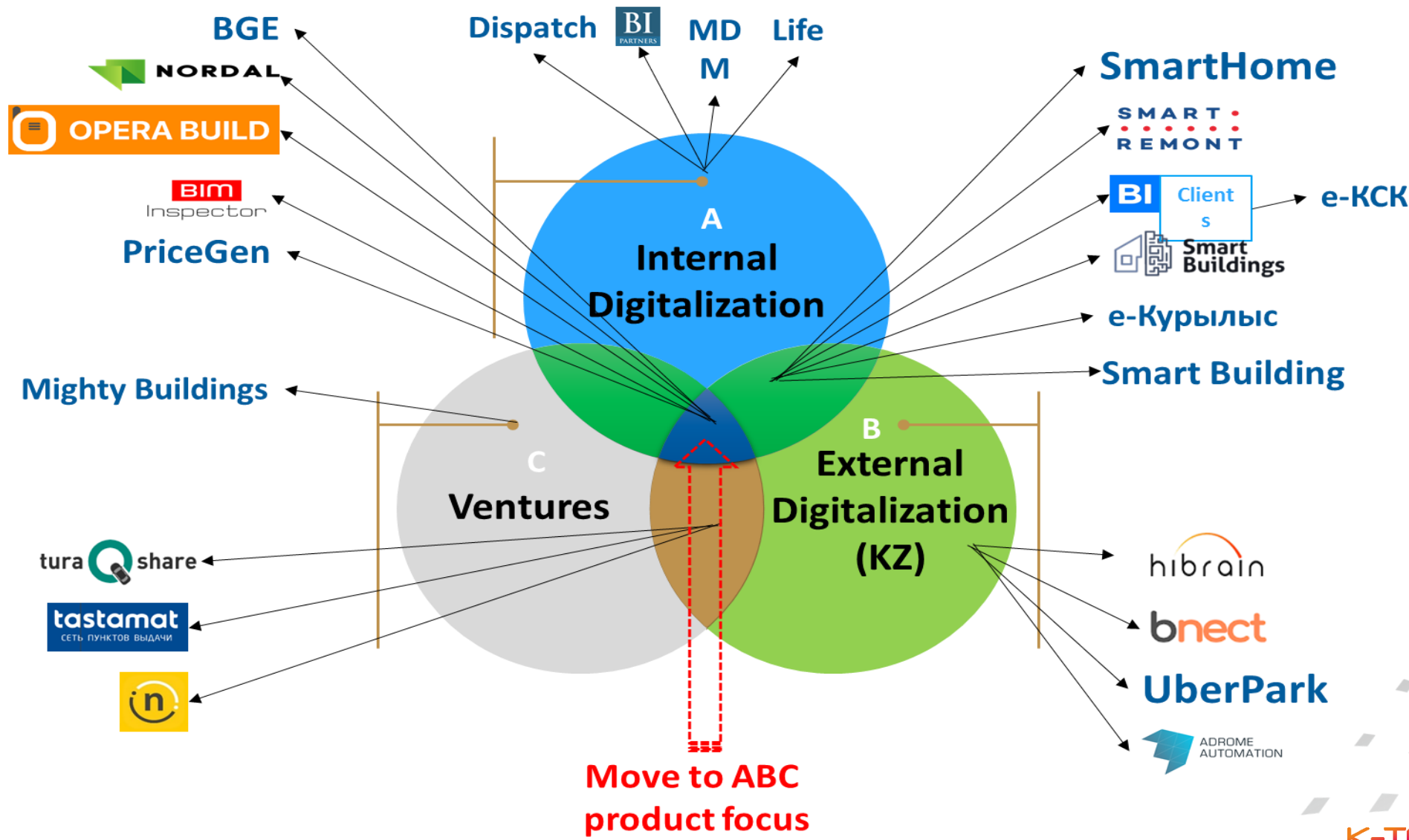


- KZ building industry digitalization products
- Other industries digitalization products

\* source IDC (2018)

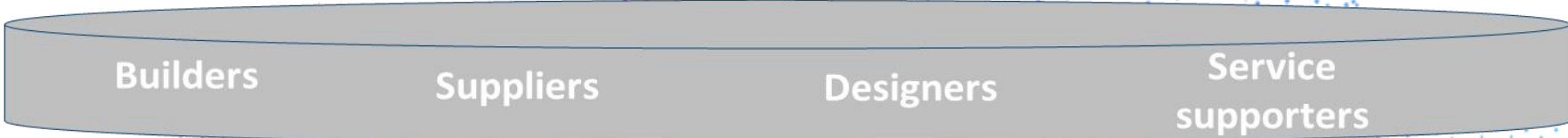
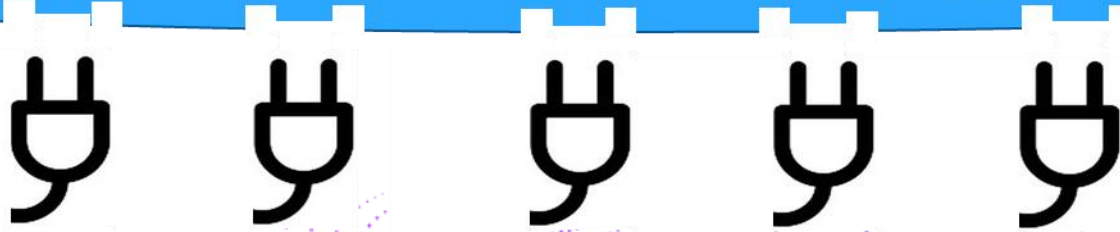
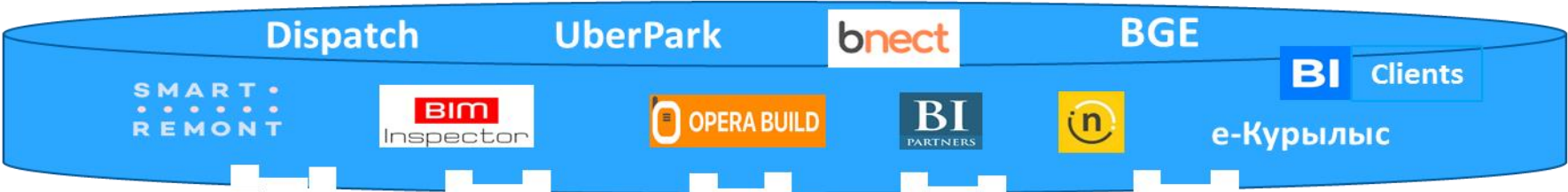
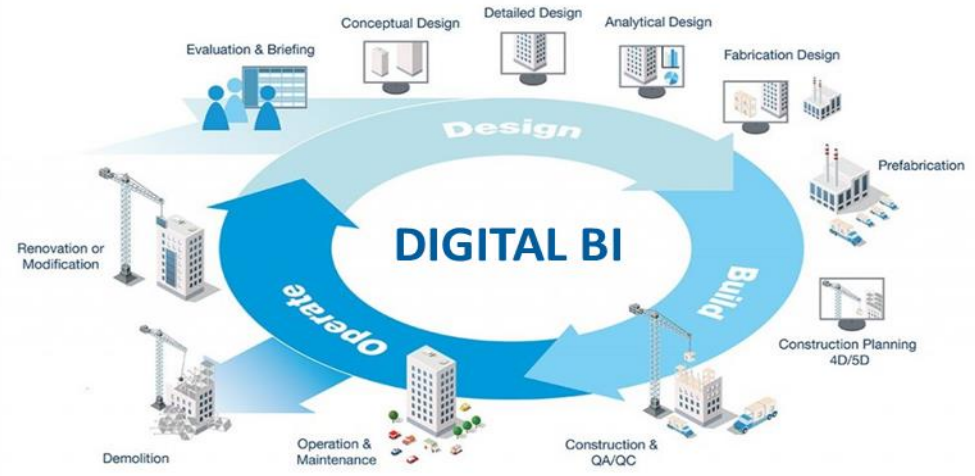
\*\* KZ ICT spenders (2018)

# BeInTech Focus



# Construction business ecosystem

Digital construction ecosystem  
Platforms  
Business partners



# Industrial ecosystem of services

## 01. Searching/buying

- Real estate portal;
- Digital real estate agency;



## Connected.Home



## 02. Repairs

- Choosing repairing team;
- Finding materials



## 03. Service

- Home installation work (home appliances, plumbing, electricians and etc)
- BI Clients, Smart-building.

## 04. Delivery

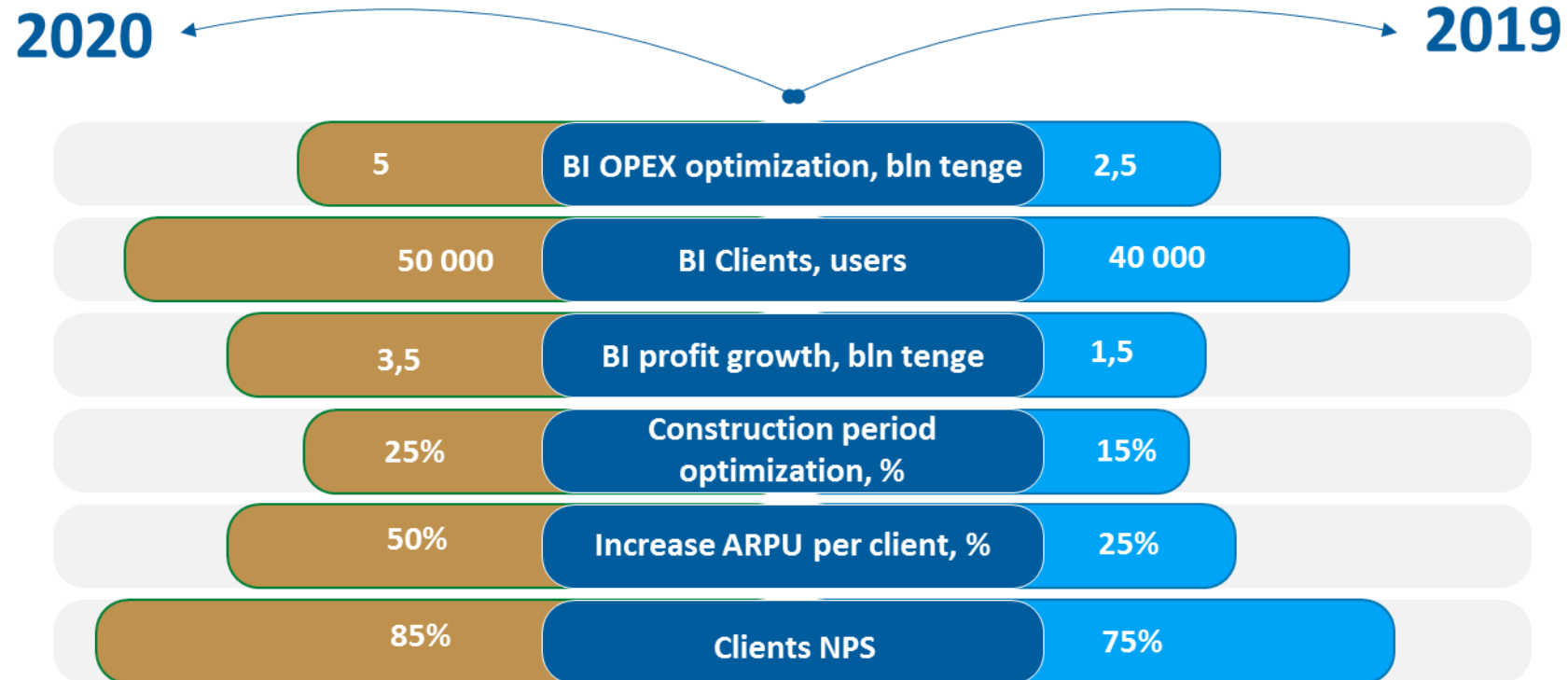
- Tastamat
- Food delivery

## 06. Lease and reselling

## 05. Telco

- Internet reselling
- TV
- Phone

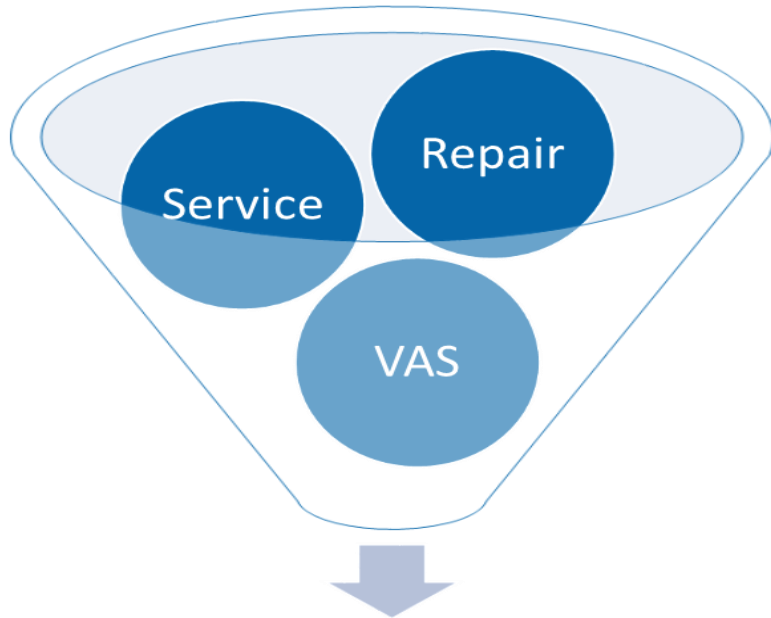
# KPIs





# KPIs

**Avg. ARPU/flat – 5200 Kzt  
(2018)**



**Limited - only BI clients**

**ARPU  
(tomorrow)**



**Not limited –  
Ecosystem users**



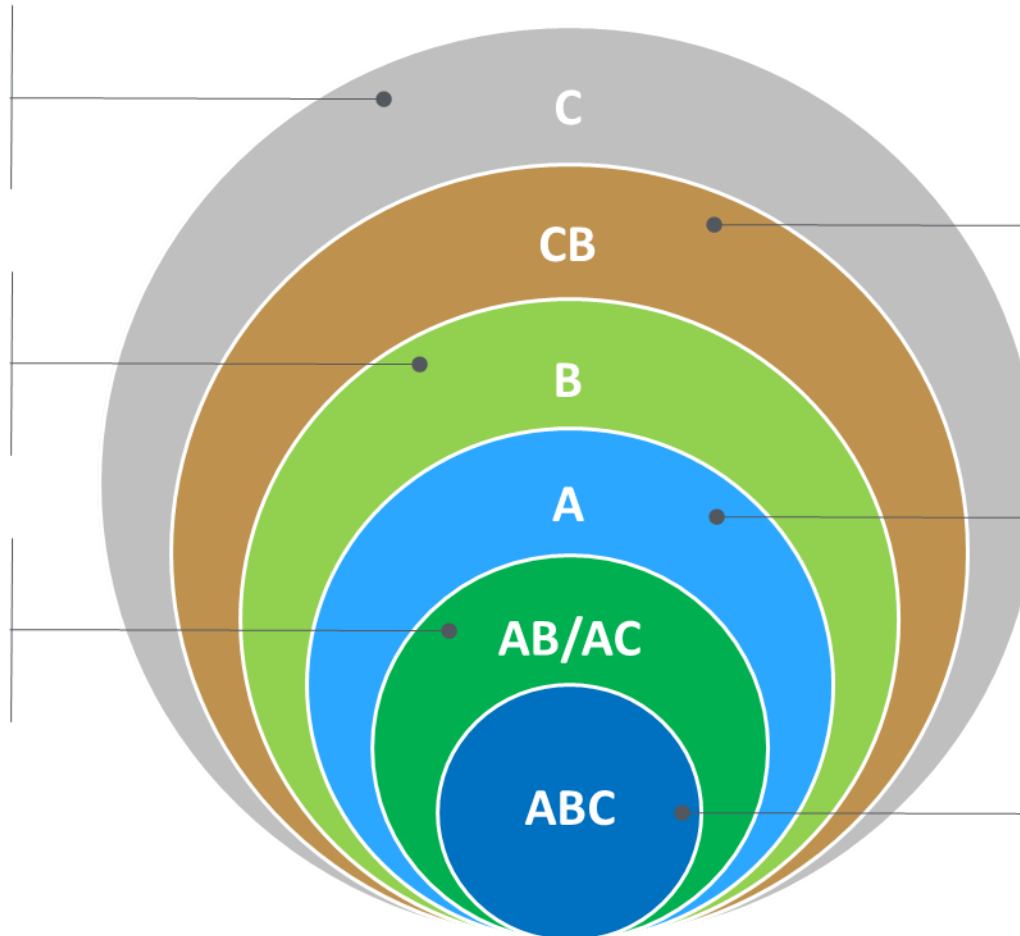
# Priority focus



**C** – projects, those have potential to enter international market (**Mighty Buildings**)

**B** – projects, those could be interesting to KZ market (**BNECT**)

**AB/BC** – BI projects, those could be interesting to KZ market or have potential to enter international market (**AB – PARTNERS**  
**AC - PriceGen**)

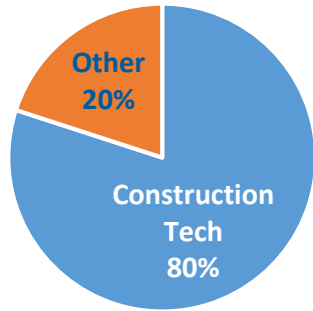


**CB** – projects, those could be interesting to KZ market and have potential to enter international market (**NORDAL**)

**A** – BI projects (**MDM, Life**)

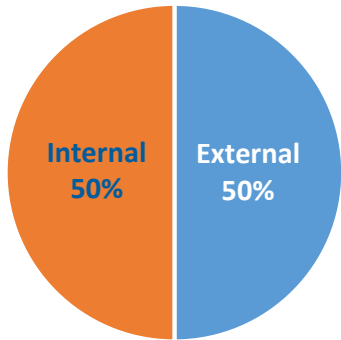
**ABC** – BI projects, those could be interesting to KZ market and have potential to enter international market (**OPERA BUILD**)

# Investment approach



## Portfolio Structure

- Focus is on startups that are in construction tech, property, real estate with 80% of funds dedicated to that industry (smart home solutions, digital realtor, construction materials marketplace, etc).
- Remaining 20% of VC funds is going to be dedicated to solutions that are not directly related to the construction tech, but has indirect impact on it, and related to the household living experience (payment solutions, food delivery, last mile logistics, etc).
- The global aim is to create the ecosystem of services and products in construction & households life that will cover all needs of consumers: builders, service providers, households, realtors, etc.



## Funding Structure

- It is assumed that internal funding will be around 10 mln USD (12,5 mln USD, including opex) in 2018-2020 to start developing the VC direction & startups.
- The VC team will attract external funding from governmental & international institutions - QazTech Ventures (Kazakhstan Government Agency to develop VC & startups market), Asian Development Bank, Islamic Development Bank, World Bank, etc.
- The external funding will be attracted as grants for startup, creation of joint funds & co-investment.
- The aim is to utilize external opportunities and attract funds at least 1:1 to internal funding due to 2021-22

## Investment Rationale

- Investments will be returned in forms of dividends and portfolio capitalization growth. The CAGR is expected to be around 20-25%.

	2018-19	2020	2021	2022	2023
<b>Dividends (mln USD)</b>	0	0,1	0,3	0,5	0,7
<b>Portfolio Capitalization* (mln USD)</b>	6	12	15	18	21
<b>Investments</b>	6	4	-	-	-

\* Capitalization of startups will be calculated on comparative basis with existing deals of similar type & size

# Investment approach



## VC fund legal structure

- Imperfect national legislation in VC & startups industry is an obstacle for creation of VC firm in Kazakhstan
- In order to structure shareholder & investment agreements, as well as international deals in **best world practice**, the VC firm will be launched and based in US.
- In order to secure government support & venture funding the daughter VC firm will be launched in Astana International Finance Center. This is necessary as well to partner in VC business with international institutions like World Bank, ADB, EBRD, IDB, etc, since these institutions have geographical targets and require local legal & business presence.

## International markets expansion strategy

- Utilize local governmental support – Astana Hub, FPP & other grants for international expansion efforts
- Active participation in relevant international acceleration programs – Echelon (Singapore), FRII-Skolково Build-Up (Moscow), Mass Challenge (Boston), CEMEX (Mexico), etc.
- Explore & develop key partnerships with relevant construction companies & industrial VC firms (Thailand construction company Siri & its VC arm San Siri, which also focuses on construction tech).

## International startups investment rationale

One or all reasons below can be rationale to invest into international startups:

- Startup has insights or solution we believe can be commercialized in Kazakhstan
- Startup has lead investor with proven successful track record
- We have insights / belief that startup is most likely to be acquired by relevant tech giant (as case of PlanGrid, acquired by Autodesk), thus we are confident in successful investment return

# BeInTech today

