

Neobank startup Aspire clinched the top spot with a \$46.38m funding led by MMV SEA.

VCs bet big on ESG startups

Investments in the urban solutions and sustainability domain surged 56%.

Deeptech and fintech startups are still considered as 'favourites' by most venture capital (VC) firms, but an increasing awareness on environmental sustainability has created another trend as VCs are beginning to turn their heads to startups under the environmental, social and corporate governance (ESG) category.

In the ninth edition of *Singapore Business Review's* 20 Hottest Startups, it was the small and medium enterprise (SME)-focused neobank Aspire that clinched the top spot, with \$46.38m (US\$32.5m) in funding from a series A round. Following closely is invisible braces manufacturer Zenyum, having secured \$19.42m (US\$13.6m) in a series A funding. Closing the top three is proptech startup Smarten Spaces, with its \$17.13m (US\$12m) funding in November last year.

Other startups that joined the ranks include Quilt.ai (\$12.85m), Sleek (\$7.14m), eko.ai (\$5.71m), Syfe (\$5.42m), Draper Startup House

(\$5m), Yours (\$5m), Travelstop (\$4.28m), Osome (\$4.28m), SEPPURE (\$3.64m), atlan (\$3.57m), CHILD Health Imprints (\$3.28m), abillionveg (\$3.14m), Keyless (\$3.14m), gush (\$3m), Novelship (\$2.93m), COVE (\$2.86m), and Hydroleap (\$2.6m).

These startups nabbed this year's spotlight as it secured the largest amount of investments from Q2 2019 up until Q1 2020.

ESG grabs spotlight

Even though this year's list shows that deeptech startups are still dominant, given the Government's efforts to boost the flexibility of its operations in Singapore, investors are turning their heads to startups that are focussed on ESG. This comes on the back of increasing awareness towards sustainable and environmentally-friendly solutions.

For instance, 12th placer SEPPURE offers chemical separation processes that can be done without heat and at 90% less energy. Another

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sustainability-focussed startup is abillionveg, a platform that allows users to search for plant-based food.

In Enterprise Singapore's study, investments in the urban solutions segment and the sustainability domain surged 56% YoY during 9M 2019 period to \$150.4m, which can be attributed to the increasing attention on cleantech and sustainability.

Specifically, the report noted that there is a growing interest in agri-food technology startups in this sector, where investment volume reached \$28.3m, up from just \$0.75m in the same period of 2018.

Christian Cadeo, managing partner at ESG-focussed VC fund Big Idea Ventures, is attributing ESG's rising fame on Singapore's goal on making 30% of the region's food home-grown by 2030. "I think [the ESG sector] is going to be massive as we are seeing that Singapore government is focussed on food as being one of the key pillars for security for the country. Because of this initiative, the future is bright in terms

Singapore ranked 8th place in APAC startup ecosystems rankings

Rank	City	Country	Global Rank	Rank Change (from 2019)	Total score 2020
1	Beijing	China	6	+11	25.519
2	Shanghai	China	10	+21	21.482
3	Bangalore	India	14	-3	16.364
4	New Delhi	India	15	+3	15.561
5	Tokyo	Japan	16	-2	15.435
6	Seoul	South Korea	21	+9	13.317
7	Mumbai	India	22	+7	12.454
8	Singapore City	Singapore	26	+6	11.966
9	Sydney	Australia	31	-12	10.840
10	Shenzhen	China	33	+7	9.611

Source: StartupBlink

of companies that can work towards accelerating the country's goals to achieve this."

Apart from this, some investors are beginning to see ESG investments' long-term impact.

"ESG investments are gaining traction because many of the limited partners have realised that for long-term growth, ESG is an important pillar and whilst many investments may not tick off each of the 'E', 'S' and 'G', starting off with at least one criterion, it can lead to expanding the investment to others," vice chairman of Business Angel Network of Southeast Asia (BANSEA) **Ramesh Raghavan** commented.

Engagement from foundations and institutional investors, such as pension funds, is also starting to become more interested in long-term impact over short-term gains as well.

"I think even on a macro basis the VC world is on a risk-off environment, but VC that have the long-term foresight will realise that this is the optimal time to make investments in ESG," Cadeo continued. "[I]t is the right opportunity for us in light of the global pandemic that our sector will be the most relevant in terms of impact moving forward."

Deeptech still at the helm

In Enterprise Singapore's study, total investments from January to September 2019 hit \$13.4b across 437 deals, jumping 36% YoY from 2018. It noted that deeptech startups under advanced manufacturing, urban solutions and sustainability, and healthcare and biomedical sciences started to gain traction during this

period, with investments in these three domains amounting to \$416.4m across 76 deals. This represents a 25% YoY uptrend from \$333.8m in 2018.

However, these three sectors only make up 4% of the total capital invested due to the current ecosystem's lack of lead investors with the expertise and experience to back deeptech startups.

"They must find new growth engines, including but not limited to regional expansion," co-founder and managing director of East Ventures **Wilson Cuaca** commented.

"The key focus is a road to profitability and startups should show much better capital efficiency in their business models. Keeping customer acquisition cost low and not looking for growth for growth's sake will be key," Raghavan added.

Apart from these figures, the same study mentioned that the number of investments made into digital tech startups skyrocketed 91.7% YoY to 278 deals, from 145 deals over the same period last year, which accounts for 93.2% of the total quantum.

VC funds go low-key

Golden Gate Ventures' principal **Justin Hall** said "many fundraising rounds go unannounced, they're lumped into other rounds, or there are any other number of reasons that might affect total funding. The truth is that the number of investable opportunities in Singapore and abroad has continued unabated."

East Ventures' Cuaca added that investments went seemingly down in Singapore as it went to other emerging markets, such as Indonesia.

In contrast, Raghavan observed

The Singapore government is still launching programmes to support deeptech startups, including the Startup SG Equity scheme.



that overall funding in the ASEAN region, including Singapore, went down. Larger firms such as Grab have raised less capital, whilst startups' need for financing also dipped.

Raghavan also noted that issues around WeWork and its fundraising became a major wake-up call for investors and startups alike, noting that it was a big moment for cash-burning startups. "The WeWork saga also made investors a bit more cautious in jumping in wildly at expensive valuations," Raghavan said. "Larger startups are focused on turning to profitability and less cash burn. Smaller startups have realised that raising capital at extended valuations is not easy anymore and are therefore focused on generating traction in a capital-efficient way."

Another issue BANSEA's Raghavan cited was the souring investments on cryptocurrency-based startups. The industry has gone past its 2017 hype and its regulatory environment is still deemed unstable by many analysts. "Poor liquidity environment, uncertain regulatory outlook, lack of transparency and issues of trust continue to hamper adaptability which is the key driver for growth and there has been little movement in [the cryptocurrency] space. Time is of the essence here and if we get a common regulatory framework and transparent and interoperable exchanges and infrastructure we will see improvement in more widespread network effect and growth," Raghavan further explained.

On the other hand, the Singapore government is still launching programmes to support deeptech startups. During the Budget 2020 speech, Deputy Prime Minister and Minister for Finance Heng Swee Keat announced the Startup SG Equity scheme, where the government will co-invest into eligible startups, alongside private third-party investors

Moving forward, Cuaca maintains a positive outlook on Singapore's overall startup scene.

"Most sectors are growing now because the region is hitting an inflection point," he said. "Anyone who started in Singapore must quickly see the broader South East Asia and shouldn't stay in Singapore too long."

HOTTEST STARTUPS 2020

1. Aspire



Founder(s): Andrea Baronchelli, Stefano Pellegrino, Giovanni Casinelli, Joel Leong, Stefan Hadjidetshev, Thibaud Chommeloux
Funding: Aspire secured \$46.38m (US\$32.5m) in series A funding in August 2019, led by MassMutual Ventures' regional arm MMV SEA.
Start of operations: 2018

Founded in January 2018 by former Lazada executives, fintech Aspire is serving a new generation of digital-savvy businesses with a mobile-first digital business account across Singapore, Thailand, Vietnam, and Indonesia. The company graduated from Y Combinator Winter 2018 batch and it is part of the YC Continuity Growth program Winter 2020. Aspire flagship Business Account, targeted at small businesses and startups, can be opened online in just a few clicks. Creating an account is free-of-charge, with no minimum deposit and no monthly fees.

2. Zenyum



Founder(s): Julian Artopé and Frederik Krass
Funding: Zenyum bagged \$19.42m (US\$13.6m) in series A funding in November 2019 from RTP Global, Sequoia India, TNB Aura, and SEEDS Capital.
Start of operations: 2018

Dental tech Zenyum offers 3D-printed invisible braces targeted at mild to moderate orthodontic problems. The startup offers a digitised end-to-end treatment process of diagnosis to treatment conclusion. It uses 3D technology from initial consultation of an intraoral scan and X-ray to the final braces. Via Zenyum's app, patient progress can be monitored 24/7 by Zenyum's doctor partners, who are screened by the startup's training and certification programme. The startup currently operates in Singapore, Hong Kong, as well as in Malaysia and Thailand. They have plans to expand to Vietnam, Indonesia, and Taiwan.

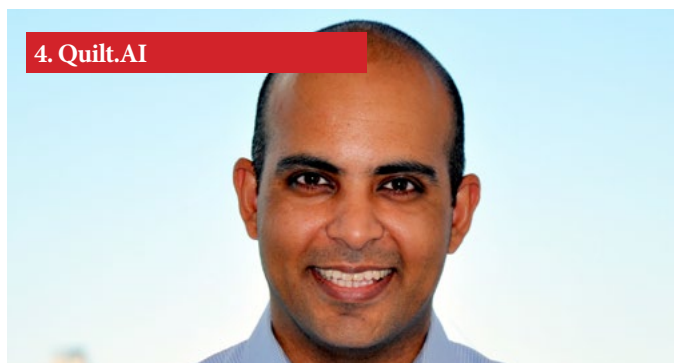
3. Smarten Spaces



Founder(s): Dinesh Malkani, Anushka Verghese and Prithvi (Harkirat Singh) Shergill
Funding: Smarten Spaces raised a total of \$17.13m (US\$12m) in a series A funding in November 2019, with Symphony International Holdings as its leading investor.
Start of operations: 2017

Smarten Spaces was founded in 2017, focussed on digitising spaces for enterprises, commercial real estate, coworking, coliving and warehousing. They use AI & IoT technology to let businesses engage their tenants and employee community, and manage spaces effectively. The solution includes a fully-integrated mobile app for end-users to seamlessly perform daily tasks. These include book meeting rooms, order food, wayfinding, book flexible seats, securely invite visitors, community engagement, and much more. They have successful deployments in the US, Singapore and India.

4. Quilt.AI



Founder(s): Angad Chowdhry, Anurag Banerjee
Funding: Quilt.AI received \$12.85m (US\$9m) in series A funding in November 2019. This was led by Nadathur Holdings
Start of operations: 2018

Quilt.AI provides brand and product owners with cultural insights into human expressions found on a broad range of digital outlets. It uses AI to read human conversations and expressions across multiple data sources, such as social media outlets, online news, blog text, and search engine trails, to contextualise an anthropological understanding. Aside from its proprietary anthropology platform, Quilt.AI also has matching app "Culture.Trace" and search engine "The Wormhole", which uses the same intel model to draw insights from digital behaviour to match individuals with the same cultural DNA, and to present detailed guides into cities. Besides Singapore, the startup operates in New York and London.

5. Sleek



Founder(s): Adrien Barthel, Julien Labruyere

Funding: Sleek raised \$7.14m (US\$5m) in a seed round in December 2019, led by investors Fabio Blom and Pierre Lorinet.

Start of operations: 2017

Sleek brings corporate services online by acting as an online secretary. It remotely manages the complete process of incorporating companies within neighbouring countries to Singapore—from registration up to the grant of employment passes and work visas for assembling companies' teams. The startup's online platform also manages company books, including accounting, payroll, bookkeeping, and tax advisory services. Sleek is an ACRA-certified Filing Agent, member of the Singapore Corporate Secretary Association, and affiliated with the Institute of Singapore Chartered Accountants.

6. Eko.ai



Founder(s): James Hare

Funding: Eko.ai bagged \$5.71m (US\$4m) in funding in January 2020, co-led by Sequoia India and EDBI.

Start of operations: 2017

Born out of a collaboration amongst clinician scientists, sonographers and deep learning experts, health technology platform eko.ai uses machine learning to automate heart ultrasounds. The company works with artificial intelligence decision tools to deliver a complete echo analysis. Eko.ai develops these tools to assist research teams who aim to add echocardiography to their AI tech stack. Its automation software provides teams with machine learning-ready research databases, as well as a suite of ready-to-use models, segmentation tools, and validation cohorts to help hospital systems that are seeking to boost productivity outcomes for their patient populations.

7. Syfe



Founder(s): Dhruv Arora

Funding: Syfe secured \$5.42m (US\$3.8m) over a seed round in July 2019 led by UK-based VC fund Unbound.

Start of operations: 2018

Fintech Syfe is a digital wealth manager that adopts a risk-managed passive investing approach through its proprietary investment methodology "ARI" or Automated Risk-managed Investments, which combines the Global Market Portfolio (GMP) and Risk Parity Portfolio (RP) methods. By combining these methods, the client portfolio is said to be three times diversified across assets, countries, and sectors. Syfe runs over 10,000 simulations daily to stress-test portfolios and undertakes extensive backtesting, with detailed results that extend beyond 15 years. The company recently launched its REIT-focused wealth manager, Syfe REIT+.

8. Draper Startup House



Founder(s): Vikram Bharati

Funding: Tribe Theory raised \$5m (US\$3.5m) in last January from American venture capital investor Tim Draper.

Start of operations: 2018

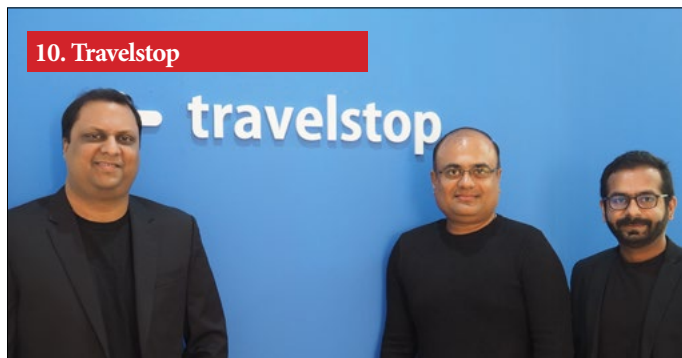
Draper Startup House (DSH), formerly Tribe Theory, serves as an entrepreneurial ecosystem in the form of hostel accommodations targeted at entrepreneurs and startup teams. Alongside accommodations, DSH locations provide support to entrepreneurs in the form of custom programming, access to venture capital funding and DSH locations, serving as an avenue to submit pitch decks to the Draper Venture Network, which is said to have 23 global funds. DSH has eight existing international locations, including Bali, Singapore, Yangon, and Estonia as well as in Manila and Lisbon, with two more locations in Bangalore. The startup targets to enable 1 million entrepreneurs by the end of 2030.



9. Yours

Founder(s): Navneet Kaur, Shivam Sharma
Funding: Yours bagged \$5m (US\$3.5m) in a seed round in October 2019, backed by Surge, Global Founders Capital, Kindred Ventures, as well as an undisclosed celebrity fund.
Start of operations: 2018

Founded by former Uber employees, Yours uses an assessment tool to recommend a personalised mix of Yours skin care products based on the customer's lifestyle and environment. Consumers no longer need to try out multiple skin care products and their skin care products claim to be non-toxic and environmentally sustainable. The startup also offer a subscription service to women Yours Autopilot, which updates the customer's skin care regimen based on changing lifestyle and skin conditions and delivers product refills on a scheduled basis.



10. Travelstop

Founder(s): Altaf Dhamani, Prashant Kirtane, Vijay Aggarwal
Funding: Travelstop secured \$4.28m (US\$3m) in a pre-series A seed funding in July 2019, led by Silicon Valley-based VC firm Accel.
Start of operations: 2018

Tourism technology startup Travelstop is an integrated travel management tool targeted at startups and SMEs that do business travel. The platform consolidates travel booking management, expense reporting and data-driven insights and gives a real-time view of travel and expense spending, and users gain access to organisation-wide data to assist in cost-saving decisions. It also has a feature for business owners, helping them track their employees and keeps tabs on expenses at a department or an individual level.



10. Osome

Founder(s): Victor Lysenko
Funding: Osome bagged \$4.28m (US\$3m) in funding November 2019, led by Target Global, with participation from Phystech Venture and AdFirst.
Start of operations: 2017

Osome offers paperless registration services to both local and foreign companies in Singapore. It acts as companies' 24/7 online assistant for administrative tasks of accounting, and HR. It can also cover foreigners' incorporation to the Singaporean workplace via management of nominee director, office address, and employment pass assistance. Osome's platform is based on artificial intelligence and leverages the use of bots to streamlines its services. Users set up an account, have conversations with a chatbot which is later joined by an agent, then sends over all related documents.



12. Seppure

Founder(s): Amir Hooshang Taheri, Mohammad Hossein Davood Abadi Farahani
Funding: Seppure bagged their latest funding of \$3.64m (US\$2.55m) in August 2019 from a seed round led by SOSV.
Start of operations: 2018

Chemtech Seppure creates a nanofiltration solution for chemicals that replace the traditional energy-intensive chemical separation and purification process, which a slew of industries from food and pharmaceuticals to petrochemicals, rely on. It can do so without heat and at 90% less energy, which can potentially conserve billions of gallons of water, millions of tonnes in volatile organic compound emissions and billions of tonnes of carbon dioxide emissions in a year. The tech is funded by the National Research Foundation of Singapore at the National University of Singapore.

13. atlan



Founder(s): Prukalpa Sankar, Varun Banka
Funding: Atlan garnered \$3.57m (US\$2.5m) in a pre-series A funding led by early-stage venture fund WaterBridge Ventures.
Start of operations: 2018

Information technology startup Atlan reduces the collaboration overhead amongst data teams through data democratisation, helping teams to work seamlessly on data projects. It democratises both internal and external data, whilst automating repetitive tasks. The company caters to more than 200 teams in over 50 countries and some of its clients include Unilever, Milkbasket, Barbeque Nation, and Mahindra Group. Headquartered in Singapore, Atlan's operations extend to New Delhi and Bengaluru in India, San Francisco in the US and Nairobi in Kenya.

14. CHIL



Founder(s): Harpreet Singh, Ravneet Kaur, Dr. Gautam Yadav
Funding: CHILD Health Imprints (CHIL) has raised a total of \$3.28m (US\$2.3m) over a seed round. Its latest investors include Seeds Capital and HealthXCapital.
Start of operations: 2018

Healthtech Child Health Imprints (CHIL) uses data analysis to reduce prematurity risks amongst infants. CHIL created a platform based on IoT for neonatal intensive care units (NICUs) which monitors the early onset of morbidities. The technology captures real-time clinical data from the connected devices, laboratory results, and bedside clinical observations. A key feature in the platform is a surveillance device called NEO, which is able to track the early signs of morbidities and length of stay using predictive analytics. The platform also prevents medication errors by automating doctor and nursing progress notes.

15. abillionveg



Founder(s): Vikas Garg
Funding: abillionveg has raised a total of \$3.14m (US\$2.2m) in its seed funding round last August 2019, led by 500 Startups.
Start of operations: 2017

Upon the rising trend of veganism and environmental sustainability awareness, abillionveg is a platform that only shows where to find plant-based offerings around the globe. Users are also free to drop their reviews in the platform, as some restaurants lie about their food being purely vegan. abillionveg pledges that for every review, they will donate a few dollars to various animal sanctuaries. The startup is partner to over 50 organisations around the globe committed to advocating plant-based living. abillionveg claims that their app is seeing 40-50% monthly growth across Singapore, Hong Kong, Australia, Canada, the US and the UK.

15. Keyless



Founder(s): Andrea Carmignani, Fabian Eberle
Funding: Keyless has raised a total of \$3.14m (US\$2.2m) in a pre-seed funding round last June 2019, led by Gumi Cryptos Capital and participated by Ripple Labs, Blockchain Valley Ventures, and LuneX.
Start of operations: 2018

Composed of an international team of entrepreneurs, scientists and professionals, Keyless has built a privacy-first biometric authentication and personal identity management platform that eliminates the need for businesses to centrally store and manage passwords, cryptographic keys, and other authentication data. Keyless' solution is based on over 10 years of research at the intersection of cryptography and biometrics. It prevents cyber-attackers from accessing critical information and ensures compliance with privacy regulations, including GDPR.

HOTTEST STARTUPS 2020

17. Gush



Founder(s): Lester Leong, Ryan Lim

Funding: Gush raised \$3m (US\$2.1m) in July 2019 from property group City Developments Limited (CDL).

Start of operations: 2017

Singapore-based startup gush is creating sustainable paints and advanced building materials, as it seeks to help prevent health complications due to indoor air pollution. Its flagship product, gush cair interior paint, is said to purify the air by eliminating 99.9% of bacteria, regulate humidity and prevent mould. It also has no volatile organic compounds (VOC) and releases negative ions which have health benefits such as neutralising free radicals and promoting blood circulation. To date, gush paints have been used in more than 600 residential and 60 commercial projects in Singapore and the region, with most delivery rooms in Thomson Medical painted with their brand.

18. Novelship



Founder(s): Chris Xue, Richard Xia Yang

Funding: Novelship secured \$2.93m (US\$2.05m) in August 2019 from Global Founders Capital.

Start of operations: 2017

Novelship acts as a “gatekeeper” for authenticity and product condition, aiming to improve the trust between buyers and sellers. It is an online shopping platform for resellers of authentic sneakers and streetwear, where they check the quality and originality of all products before shipping them. They examine the logo placement, serial numbers, manufacturing codes and inside stitching of the product. It also acts like an auction marketplace, where buyers can request for a product and state how much they are willing to pay for and purchase it at its lowest asking price, whilst sellers may choose which price they want for the item.

19. COVE



Founder(s): Guillaume Castagne, Luca Bregoli, Sophie Jokelson

Funding: COVE has raised a total of \$2.86m (US\$2m) over a seed round in September 2019.

Start of operations: 2018

Housing startup COVE promises to handle everything from booking a unit to furnishing. COVE says it can offer cheaper prices and also provides an all in fee which includes furnishing, utilities, weekly housekeeping, cleaning supplies and wi-fi connection. What’s more, the average monthly cost it offers as \$1,700, which can be 6% cheaper than a flatshare and 45.51% cheaper than a studio apartment. The platform has 3D tools that digitises everything for interested tenants and also uses a matching algorithm that aids in managing thousands of properties across Southeast Asia.

20. Hydroleap



Founder(s): Dr. Mohammad Sherafatmand

Funding: Hydroleap bagged a total of \$2.6m (US\$1.9m) in their latest funding in November 2019, led by Wavemaker Partners and participated by Seeds Capital and 500 Durians.

Start of operations: 2018

At Hydroleap, the goal is to make wastewater treatment cheap, environmentally-friendly, and easy. This is achieved by replacing expensive chemical treatment with a smart electrical treatment. It is well designed for wastewater from construction, food and beverage, oil and gas, tannery, mining and semiconductor industries. It is an automated modular system that does not need any chemicals to perform and can be scaled economically with ease to meet the needs. This technology can replace the expensive and non-sophisticated process of chemical pretreatment and could be the right process prior to the membrane/filtration stage.