



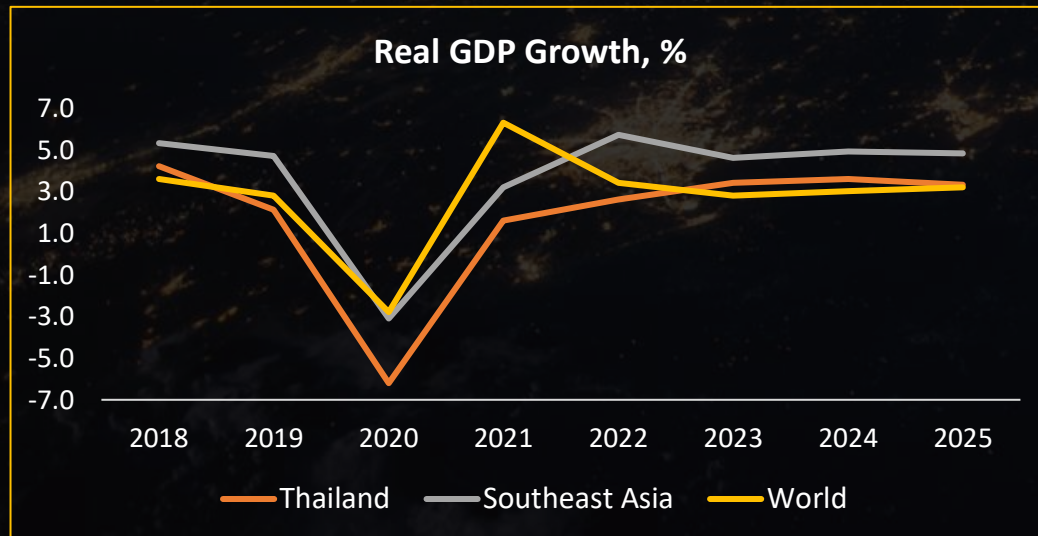
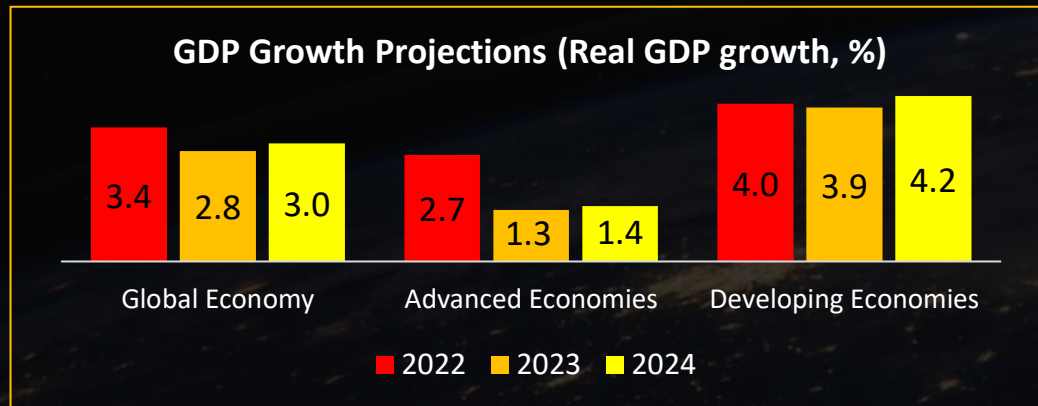
**KRUNGSRI**  
FINNOVATE

# **Think Like Startups! Digital Ecosystem**

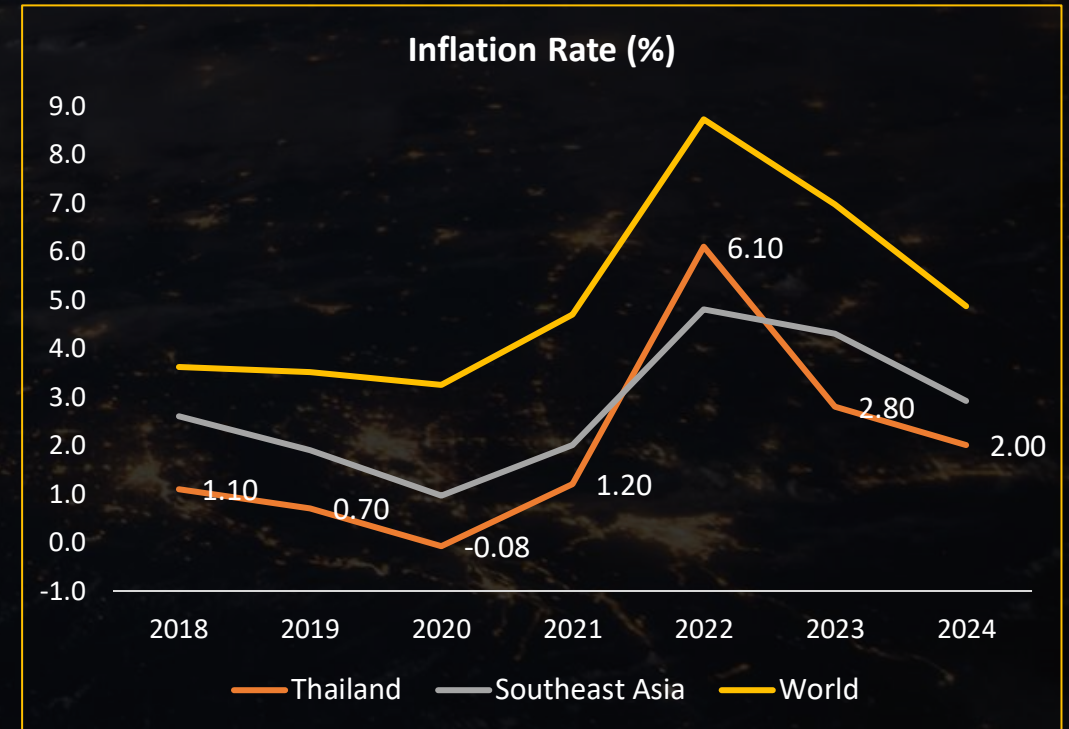
June 2023

# World Economic Outlook 2023 : A Rocky Recovery

Although slowed growth is expected in 2023...



...inflation is gradually falling across the world



# Silicon Valley Bank Collapse

## Why did SVB Collapse?

### 1. Pre-Collapse

- SVB invested in bonds at the top of the market. As **interest rates rose higher** and bond prices declined, SVB found itself more **exposed to risk** than a typical bank. SVB started taking **major losses** on their long-term bond holdings.

### 2. Trigger of Bank Run

- Outward signs of trouble emerged on March 8th, when SVB surprised investors with news that the bank needed to **raise more than \$2 billion** to shore up its balance sheet.

### 3. Bank Run

- Hedge funds and venture investors realized **SVB could be on thin ice** and **moved to limit their exposure to the bank**. The reaction from prominent venture capitalists is believed to have added fuel to the fire, and a **bank run ensued**.

### 4. Collapse

- Depositors withdrew funds in droves**. By the end of the day, customers had tried to withdraw **\$42 billion** in deposits, spurring a **liquidity squeeze** and prompting regulators and the FDIC to step in and **shut down the bank**.

## What happened since?



Federal regulators decided to **fully insure** and protect all of **Silicon Valley Bank's depositors** and their balances for **fear of contagion**—the impact the bank's collapse could have on the **economy as a whole**.



**First Citizens Bank** bought all of Silicon Valley Bridge Bank except for \$90 billion of securities and other assets that remained in FDIC receivership

## Important Takeaway for Startups



One of the biggest lessons is the importance of having a **diversified funding strategy**. By relying on **one financial institution**, startups and venture capital firms are **putting themselves at risk**.



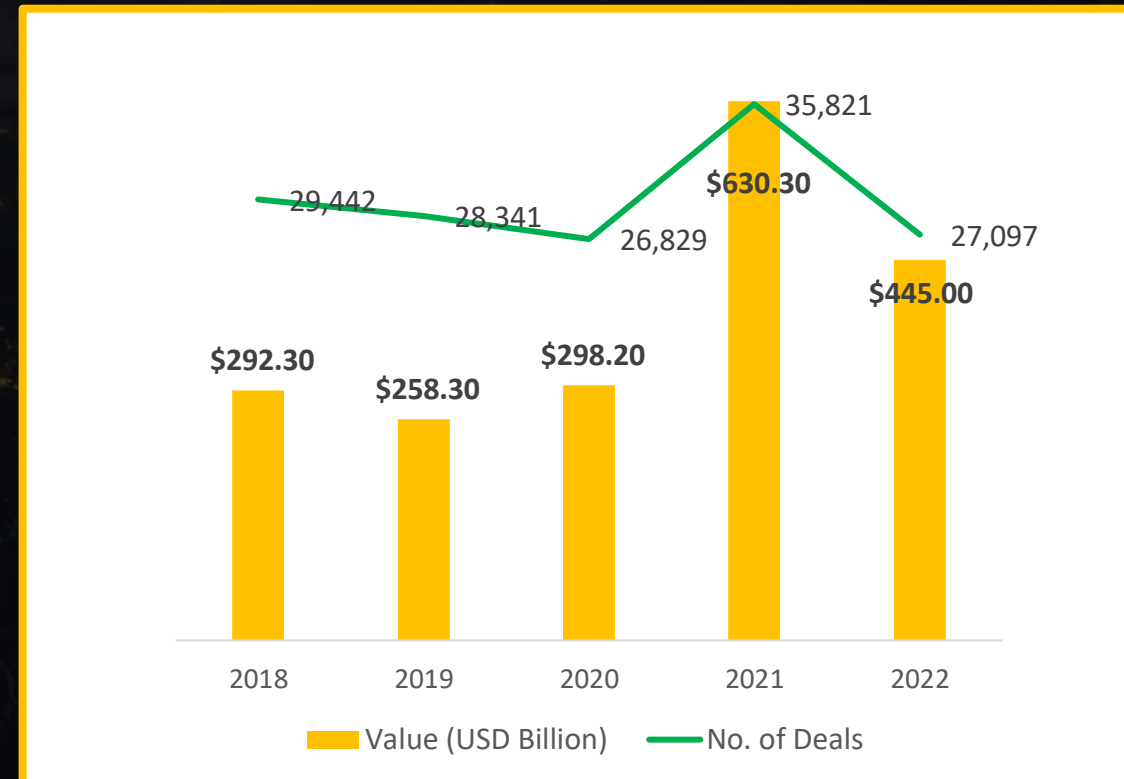
# World Startups Investment Outlook

*FinTech continues to maintain its dominance in fundraising worldwide*

## Selected global top fund raised in 2022



## Overview of Global Startup Funding



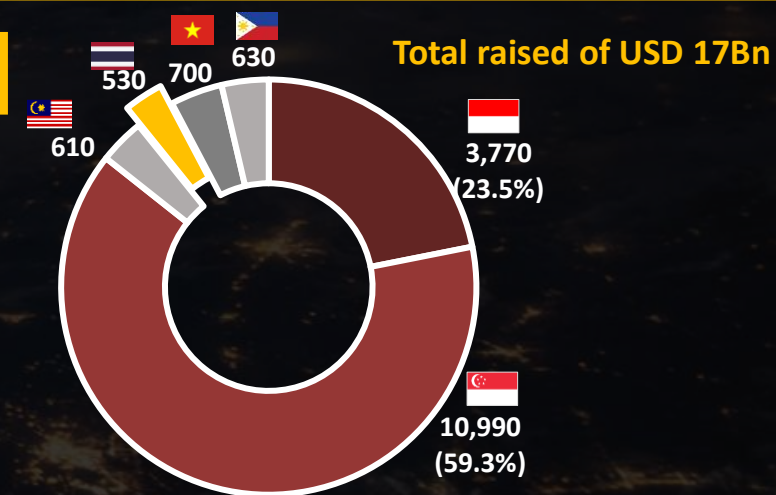
# SEA Startups Investment Outlook

Singapore and Indonesia leads the SEA startups investment, while Thailand's startups ecosystem lags behind

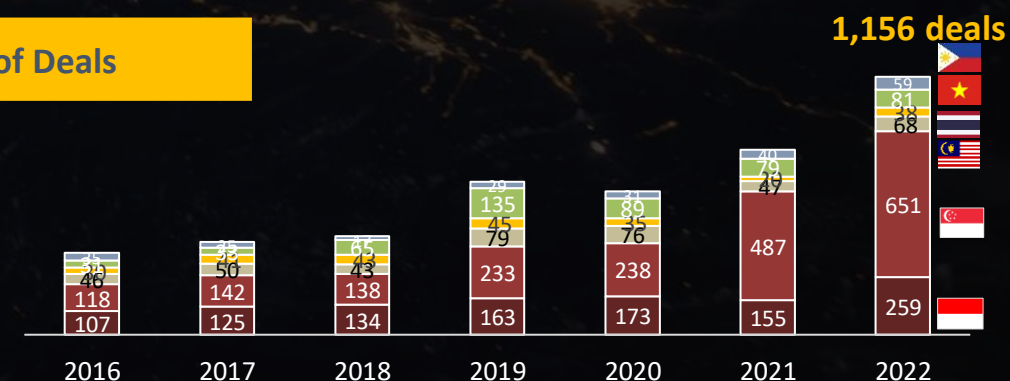
## Selected Southeast Asia's startups raised fund in 2022



## 2022 Value (USD m)



## No. of Deals



# ESG





# ESG Global Adoption



## Invested in renewable energy projects

- Deployed \$1 billion of its own capital in a new Climate Innovation Fund
- Commits to annual reporting of ESG tracking
- Reported \$10 billion increase in sales due to its ESG initiatives.



## Corporate Responsibility Strategy

- Offer \$35 or Less Monthly Insulin for Lilly medicines
- As a result of their ESG efforts, Lilly has helped 1.5M people through patient support programs



## Increasing access & equal opportunities

- Indeed launched Essentials to Work in 2022, a \$10 million multi-prong investment to help struggling job seekers gain essential access to technology, transportation, and criminal record-clearing services



## Successful ESG Policies

- HubSpot offset 4,500 metric tons of emissions in 2021 to cover transportation and remote working impacts
- During a Plastic Free July challenge, employees saved 373 water bottles, 572 plastic bags, and 369 take-out containers

## Krungsri ESG Adoption

*Krungsri recognized as one of 100 companies with outstanding performance in terms of ESG. The Bank commit to integrating ESG mandates into business strategies toward sustainable banking. This includes **Green Financing** to customers as well.*

*Krungsri will work on sustainable growth path encompassing ESG dimensions for both the Bank and supporting clients in their brown-to-green transitions*





# ESG Startups



Enterprise Climate Platform

2022  
Series B  
Deal size: \$70M  
Post Valuation: \$1B



Carbon Quantification

2017  
Series A  
Deal size: \$9M  
Post Valuation: \$15M



Sustainable Foods

2021  
Series B  
Deal size: Undisclosed  
Total Raised: \$30.21M



Healthcare Marketplace

2017  
Seed  
Deal size: Undisclosed  
Post Valuation: \$6M

# Startups for SMEs

