

Supporting trade fintechs and powering trade finance innovation

The global pandemic has given a boost to digitisation efforts in the trade finance sector, and there is no shortage of promising startups to help catalyse change. But to really propel the development of trade fintechs, or tradetechs, as we call them, support must go beyond investment, writes the team at GTR Ventures.

Leveraging decades of experience in trade and trade finance, **GTR Ventures** is the only venture capital firm focused exclusively on the tradetech sector. We strive to detect the most promising ideas in this space and take them to the next level. We take early stage equity positions in tradetech startups and support them in their growth journey by introducing them to key market players and giving them exposure to pitch their ideas to future investors and clients.

Results

Our track record is proof of the success of this strategy. To date, we have invested into 10 startups globally. Our portfolio includes **Tradeteq**, a trade asset distribution platform powered by machine learning and AI, and **Incomlend**, a global cross-border invoice exchange platform. We worked with the founders to help them expand their reach, introducing them to our industry contacts and supporting their business development efforts. We also tapped our extensive network of senior bankers and investors to validate these companies' business models, and to kickstart the conversation for further investment.

Accelerate VC funding

Our presence as typically one of the first 'institutional' investors in any startup's cap table, by virtue of being a well-known brand in trade, helps accelerate follow-on funding.

For example, just six months after we concluded our agreement with Tradeteq,

the company raised US\$6.3mn of equity investment in a seed extension funding round led by Accelerated Digital Ventures (ADV), an early stage VC backed by Legal & General.

And, in August 2020, Incomlend announced a successful US\$20mn series A equity funding round led by Sequoia with other notable investors such as CMA Ventures (the investment arm of CMA CGM shipping line). That round of investment was one of the largest series A rounds in Southeast Asia. The firm is now using funding proceeds to expand to Europe and the Middle East.

As the first institutional investor in Incomlend, GTR Ventures played an important role during Incomlend's investment discussions, introducing other investors, including industry players who validated Incomlend's differentiation and positioning.

Funnel new sources of debt funding

In terms of access to debt capital, opportunities are endless for trade fintechs as well. As debt investment appetite in trade finance as an asset class continues to grow, two of our portfolio companies, **Culum Capital** and **Trade Finance Market**, were able to acquire new investors and expand their balance sheets in just a few months.

Creating opportunities for startups in the trade innovation ecosystem

Besides funding, our strength lies in our networks and expertise, provided through our industry mentors and partners, which allow us to provide unparalleled support

and create new opportunities for our portfolio companies.

Orbitt, our Africa-focused digital deals platform, was linked up to Enterprise Singapore, the Singapore government agency supporting corporate innovation, as we identified synergies for a potential collaboration. Today, the two are exploring how to come up with tech solutions to enable efficient financing in the Africa-Asia trade corridor.

+ **We take early stage equity positions in tradetech startups and support them in their growth journey.** +

GTR's world-renowned events, industry roundtables, and networking functions, provide a unique channel to place our portfolio companies in front of an audience of senior trade finance players, and give tradetech directors a chance to participate in panels on fintech and disruptive innovation in trade.

But our network extends beyond just **GTR**, and we have been able to secure presentations for our tradetech startups in a wide-range of industry events. These include the Berne Union's fintech panel during its Asia Meetings and the ICC Supply Chain Finance Summit.

Tradetech Showcase

Since our inception, we have sifted through over 150 applications from startups in the tradetech space, and

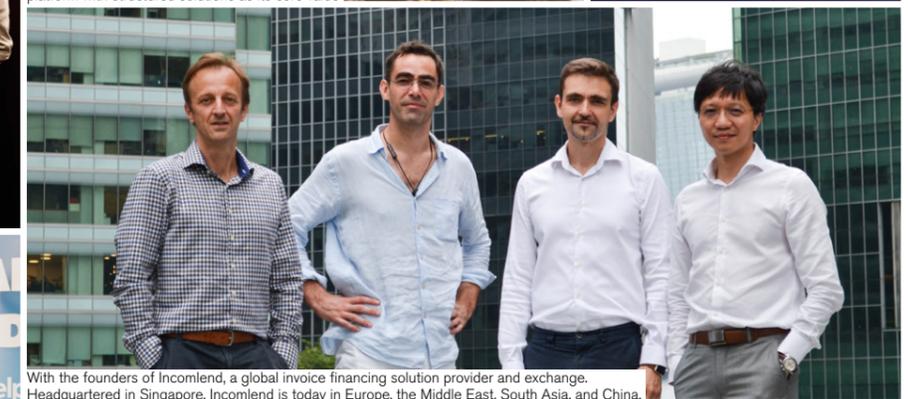
Sri Lanka focused iLoan, winner of the Most Sustainable Fintech prize, during GTRV Tradetech Showcase, 2018.



Trade Finance Market: front-end profiling to clients during GTR Asia



With Culum Capital, a supply chain finance platform with structured solutions as its core value



With the founders of Incomlend, a global invoice financing solution provider and exchange. Headquartered in Singapore, Incomlend is today in Europe, the Middle East, South Asia, and China.



With Lanre Oloniyi, co-founder of Orbitt, an African focused digital deals platform, in Singapore



The founders of UK-headquartered Tradeteq, a global trade finance distribution marketplace

actively supported 10 companies.

But we have also strived to bolster the sector more generally – even companies that we haven't invested in. For that purpose, we created the **GTR Ventures Tradetech Showcase**, a platform for selected startups to pitch their ideas to investors and potential business partners, with great success.

The winner of the 2019 Showcase, **SourceSage**, a business solutions provider of B2B marketplace platform and fintech solutions, signed a strategic partnership with Coface to combine their business expertise and co-develop innovative credit check for companies involved in domestic and regional trade — a deal that was facilitated by the exposure SourceSage gained through the event.

This year, the GTRV Tradetech

Showcase was held virtually and attended by over 120 people, against a backdrop of over 1,200 virtual delegates attending GTR Asia 2020. As the showcase event was recorded and broadcast on-demand, this boosted the number of delegates, even after the event was completed. We look forward to seeing what opportunities will arise for the winner, **Tramès**, as well as for the other contestants.

Powering trade finance innovation

The trade finance sector is ripe for disruption: we have been hearing this phrase for many years now. But since 2017, GTR Ventures has taken an active role in making this disruption a reality.

It is our firm belief that consistent and continuous efforts must be made between corporate clients, financial institutions,

and regulators, to create win-win partnerships between traditional trade finance and disruptive innovation.

We know the journey for founders in this space is not easy. But it is, after all, a US\$50bn opportunity or, depending on how you look at it, a chance to meaningfully and sustainably tackle a US\$5.2tn trade and SME financing gap.

We are always looking for new companies to support, and for new partners to help us in our mission.

Please reach out if you would like to discuss a potential collaboration:

- visit gtrventures.vc
- follow 'GTR Ventures' on LinkedIn
- or email us at info@gtrventures.vc