

Samena Capital exits its investment in HappyFresh; a leading South East Asian grocery-dedicated online platform offering app and web based grocery shopping.

Dear Shareholders and Investors

We are pleased to announce that on July 27, 2021 Samena Special Situations Fund II L.P. (“the Fund”) successfully exited its investment in HappyFresh, a leading South East Asian grocery-dedicated online platform with operations in Indonesia, Malaysia, and Thailand offering app and web based grocery shopping.

In June 2016 the Fund invested US\$8.025 million in HappyFresh with a follow on investment of US\$2.0 million in November 2017. The Fund has fully exited its entire investment position and has realised US\$23.7 million, generating a 2.37x ROI over our investment period. The exit was part of a larger series D fundraising round of US\$65 million.

HappyFresh has been one of our most successful endeavours in terms of sectors which has reached an inflection point. Since our investment the groceries industry has evolved rapidly due to the digitisation of consumer behaviour as well as offering convenience and affordable prices for consumers. This has been a transformative investment in the geographies HappyFresh operates in: Indonesia, Thailand, and Malaysia due to a large and growing urban population, and rising digitalised middle class.

HappyFresh has achieved exponential growth since our initial investment in 2016 where GMV has grown from US\$8 million to a record high US\$58 million total annual GMV in 2020. HappyFresh was a key beneficiary of the COVID-19 pandemic where GMV spiked in the peak of the lockdown period in April and May 2020 as online grocery adoption accelerated in all of its key markets. With our support the company was ready to fulfil the unprecedented demand due to the strength of the management team and infrastructure in place to make it a sustainable business. Since 2016 we have executed a transformational Value Creation Plan by implementing various initiatives such as reduced fulfilment costs per order by optimising fleet utilization, improved marketing efficiency to drive growth, and improved value proposition by shifting costs from customers to supermarkets and FMCGs. Strategic partnerships have also proved successful with Grab to launch GrabFresh providing access to large customer bases as well as partnerships with Naver Corp and Line where HappyFresh was integrated into the “Line Man” app in Thailand in January 2020.

The Fund’s investment thesis of investing in emerging economies of South East Asia as well as a strong equity story as a non-cyclical South East Asian consumer play has benefitted by being in the right sector, with the right team and with a proven business model supported by high-profile shareholders. The execution of our Value Creation Plan initiatives has both strengthened the company’s performance, and its business model to meet the surge in demand post COVID and transform it into a sustainable business. This in turn has optimised our exit in terms of timing and valuation. Following the Series D fundraising round HappyFresh has enough funds to further grow the business as well as scale up the new business initiatives for its future growth plans.

The logo for Samena Capital, featuring the words "SAMENA" and "CAPITAL" stacked vertically in a white, serif font, centered within a solid purple square.

SAMENA
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We would like to thank our shareholders and investors for their trust and support over the last five years of this investment.

Best Regards

Shirish Saraf

Founder & Vice Chairman

1 August 2021

Ramiz Hasan

Co-Founder & Chief Operating Officer