

## Avendus Capital advises VerSe Innovation on its USD 805 million raise

Valuation reaches ~USD 5 billion, taking the total raise to USD 1.5 billion in the past year, as CPP Investments leads with a USD 425 million investment

**Mumbai, Apr 6, 2022**

VerSe Innovation, India's biggest local language technology platform, today announced that it has raised and signed definitive documents for USD 805 million in its latest funding rounds from marquee global investors, Canada Pension Plan Investment Board (CPP Investments), Ontario Teachers' Pension Plan Board (Ontario Teachers'), Luxor Capital and others. Existing investors, Sofina Group, Baillie Gifford and others, will also participate north of their pro-rata in this round, resulting in VerSe Innovation's valuation reaching ~USD 5 billion. The USD 805 million investment follows close on the heels of a USD 650 million+ fundraising from Siguler Guff, Carlyle Group, Baillie Gifford, Falcon Edge Capital via Alpha Wave Ventures, Glade Brook Capital, Google, Microsoft and Qatar Investment Authority, taking the total capital raise in the past year to ~USD 1.5 billion.

**Avendus Capital was the exclusive financial advisor to VerSe Innovation on this transaction.**

The investment will be focused on strengthening the company's leadership position as the largest, fastest-growing, local language, AI-driven content platform in the country. Herein, VerSe plans on both deepening and broadening its AI/ML and data science capabilities to further cement its leadership position across all user, engagement and retention metrics, drive deeper monetization, including influencers, e-commerce and live streaming and forays into Web 3.0 experiences across its local language creator base of over 50 million creators, as well as its local language content ecosystem, which experiences over 80 billion video plays per month.

**Virendra Gupta, Founder and Umang Bedi, Co-founder, VerSe Innovation** said, "We are privileged and honoured to have prominent and stellar long-term partners like CPP Investments, Ontario Teachers', Luxor Capital on board with us. This partnership will strengthen our ability and leadership to deliver on our vision to build the largest AI powered local language content platform across a family of apps serving the next billion users. With a strategic focus on video content and building for India, we have seen explosive growth emerging from the next billion users coming out of regional India. This investment comes at a time when we're on a path to further expand our offerings, monetization models, deliver superlative Web 3.0 experiences for the globe and create an IPO scale business."

"India's digital content is experiencing phenomenal growth and VerSe Innovation is well-positioned to be one of the leaders in the fast-growing short video and local language content space," said **Frank Su, Managing Director, Head of Private Equity Asia, CPP Investments**. "This investment aligns with our approach of providing strategic capital to industry leaders in India's technology sector. We look forward to supporting the next phase of VerSe Innovation's growth journey, which we believe will deliver strong risk-adjusted returns for the CPP Fund."

**Maggie Fanari, Managing Director and Global Group Head, High Conviction Equities at Ontario Teachers'** said, "We are pleased to make a significant investment in VerSe Innovation through our new Alternative Capital Solutions team,

### **DEAL RELEASE**

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which offers flexible capital to high-quality public and private growth companies. We have been impressed by the company's innovative local language offerings, market leadership and strong management team, and are excited to be partnering with them in this journey as Ontario Teachers' continues to build out its portfolio in India."

**Neeraj Shrimali, Executive Director, Digital and Technology Investment Banking at Avendus Capital** said, "We're ecstatic about partnering with Viru and Umang on yet another industry-defining transaction, as VerSe continues on an explosive growth journey with its family of apps ecosystem. The partnership with some of the largest, high quality long-term fundamental investors is a great testament to the clear market leadership they have established across categories as they set out to dominate all things local language (advertising, e-commerce, live streaming, NFTs and more) across a massive monetizable user base."

VerSe Innovation's proprietary technology platform serves one out of every two internet users in the country across 'Josh', India's largest short video platform and 'Dailyhunt', India's largest local language content platform, coupled with 'PublicVibe', India's fastest growing hyper local video platform. Josh is the fastest growing and most engaged short-video app in India with over 150 million MAUs (Monthly Active Users), the best DAU/MAU ratio in the industry of 49% and the highest retention. Josh represents a confluence of India's top 200+ best creators, the 15 biggest music labels, best-in-class content creation tools, the hottest entertainment formats, and formidable user demographics. Dailyhunt serves over 350 million+ users every month, offering content artifacts every day in 15 languages from a licensed creator ecosystem of over 100,000 content partners and individual content creators. PublicVibe serves over 5 million MAUs and 1 million daily active users (DAUs) and has over 6 million+ downloads on the PlayStore.

VerSe Innovation, with its family of apps focused on Bharat, became the first unicorn in tech for local languages and counts Goldman Sachs, Falcon Edge Capital, Sequoia Capital India, Matrix Partners India, Lupa Systems, B Capital Group, IIFL, Kotak, Catamaran, Bay Capital, Edelweiss and Omidyar Network, among others as existing investors.

## **About Avendus**

**Avendus Group** is a leading financial services firm with presence in the areas of Investment Banking, Wealth Management, Credit Solutions and Asset Management. Established in 1999 in Mumbai, India, Avendus is today present in 10 cities across India, US, UK and Singapore. Avendus partners with the Indian entrepreneur ecosystem to provide differentiated solutions that enable clients to meet their strategic aspirations.

**Avendus Capital**, the investment banking arm, is consistently ranked among the top investment banks in the country on the back of its in-depth domain understanding and a best in the class track record of domestic and cross-border transactions. Avendus's wide range of clients is testimony to its ability to serve its corporates throughout their life cycle – from growth stage funding to large-sized transactions, and M&A advisory.

**Avendus Capital Inc**, located in New York, is an Avendus Group entity offering M&A and Private Equity syndication services to clients in the US.

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