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Hony backs Hong Kong VC fund



China-focused PE firm Honi Capital has agreed to back the debut fund being raised by newly-established Hong Kong VC firm Beyond Ventures. The vehicle has a target of HK\$1.2 billion (\$154 million).

About HK\$300 million has already been raised from the firm's co-founders and other third-party investors. The fund aims to help Hong Kong start-ups grow and expand their business networks throughout Greater China and other Asian countries.

Beyond Ventures was established by several serial Hong Kong entrepreneurs in partnership with eGarden Ventures, a local VC firm that focuses on start-ups in mainland China. Three co-founders will serve as managing partners of the firm. They are Alex Fang, also a co-founder of eGarden Ventures; Lap Man, founder and CEO of Chinese telecom company DYXNet; and Marvin Hung, CEO of quick-service chain restaurant operator Hop Hing Group.



"I believe Hong Kong will give rise to more than five start-ups valued at billions of US dollars over the next three years because our city amounts to a 'hothouse' of world-class innovation based largely on technology. Venture capital funds and government are helping to commercialize increasingly more innovative ideas in a territory where many multinational corporations establish their regional headquarters," said Man in a statement.

The fund, which is stage and sector-agnostic, will write checks of \$100,000 and \$5 million per transaction. In addition to funding, Hony Capital will help Beyond Ventures' portfolio companies expand into mainland China by leveraging its network and resources, according to Man.

Hony closed its most recent fund at \$2.7 billion in April last year. John Zhao, the firm's founder and CEO, was previously a managing partner at eGarden Ventures.