



KKR Leads Series C Round in Philippine B2B Platform GrowSari with US\$45 Million Investment

January 26, 2022

Transaction marks KKR's latest technology investment in the merchant enablement space

Latest round to support GrowSari's expansion and strengthen its financial services capabilities

MANILA, Philippines—(BUSINESS WIRE)— KKR, a leading global investment firm, and GrowSari (the “Company”), a B2B e-commerce platform serving micro, small and medium-sized enterprises (“MSMEs”) in the Philippines, today announced the signing of definitive agreements under which KKR will invest US\$45 million to lead GrowSari’s Series C funding round. KKR’s investment in GrowSari will support the Company’s expansion into more regions across the Philippines and strengthen its financial services capabilities.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20220125005949/en/>

Founded in 2016, GrowSari is a leading tech-enabled B2B platform that helps the Philippines’ small physical retail stores, including neighborhood retail shops (*sari-sari stores*), roadside and market shops (*carinderia*), and pharmacies, enhance their service levels and access a wider range of products and value-adding services. This allows the stores to provide local communities with more comprehensive offerings, including digital services.

Today, GrowSari is present in 220 municipalities across the regions of Luzon and offers over a hundred types of different services including making bill payments, telco reloads, and wallet top-ups, as well as procurement services for common retail goods and pharmaceutical medicines. Strong tailwinds around digital adoption, proximity shopping, and economic growth in the Philippines have also contributed to a 6.5x increase in gross merchandise value for GrowSari since 2019 and a 2.5x increase in revenue over the same period. In 2021, the Singapore Venture Capital & Private Equity Association named GrowSari as ‘Venture Capital Deal of the Year.’

Ashish Shastry, Co-Head of Asia Pacific Private Equity and Head of Southeast Asia at KKR, said, “We are pleased to invest in GrowSari, an innovative company with tremendous potential to digitally transform the operations of Filipino MSMEs, who are crucial contributors to the country’s economy and a pillar of the business community. We are excited to support the GrowSari team to achieve their expansion ambitions.”

Speaking on the latest investment, Reymund ‘ER’ Rollan, CEO and Co-Founder of GrowSari, said, “We will be accelerating our presence nationally to more municipalities and cities in the Philippines. Our investments will be focused towards expanding in Visayas and Mindanao this 2022. This will bring us a step closer to our mission of creating a positive socio-economic impact to the lives of more MSME owners and the communities they serve. In addition, we are doubling down on our capabilities to improve the overall customer experience and look to expand our ability to provide sari-sari stores access to credit and basic financial services, which is a key pain point for MSMEs who have limited access. The industry, operational and financial expertise and network of KKR will be a great complement to the passion, dedication and strong culture of excellence that GrowSari has built over the years.”

Louis Casey, KKR’s growth technology lead in Southeast Asia, added, “GrowSari is aligned with one of our core technology investment themes in Southeast Asia, which is supporting MSMEs with software and financial services. Reymund and the team at GrowSari are excellent operators who have built an impressive flywheel that is powered by a number of proprietary applications. They have also built a very efficient and repeatable go-to-market motion that is underpinning their impressive growth. We look to leverage our global experience, regional connectivity and flexible capital to help GrowSari achieve its ambitious growth objectives.”

Prior to KKR’s investment, GrowSari had raised funding from global financial and strategic investors, including Temasek-affiliated Pavilion Capital, Tencent, the International Finance Corporation, the Gokongwei family-controlled JG Summit, Robinsons Retail Holdings Inc., Wavemaker Partners, Saison Capital, and the Investment & Capital Corporation of the Philippines.

The ongoing Series C round is significantly oversubscribed, having drawn keen interest from new and existing investors. The round’s final composition is currently being finalized.

KKR is making its investment in GrowSari from its Asia next generation technology strategy. GrowSari is KKR’s latest investment into companies that augment the digital transformation of MSMEs through software and financial technology. KKR’s global investments in the sector include KiotViet, a merchant platform for MSMEs in Vietnam, Yayoi, a software developer, distributor, and support service provider for small and medium-sized enterprises (“SMEs”) in Japan, MYOB, a leading Australian online business management company, NetStars, the operator of Japan’s largest QR code payment gateway, Qonto, a leading European business finance solution for freelancers and SMEs in France, Cegid, one of the largest European providers of enterprise software

headquartered in France, and Exact Software, a provider of business and accounting software in the Netherlands. Additional details of the transaction are not disclosed.

About KKR

KKR is a leading global investment firm that offers alternative asset management and capital markets and insurance solutions. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and supporting growth in its portfolio companies and communities. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR's insurance subsidiaries offer retirement, life, and reinsurance products under the management of The Global Atlantic Financial Group. References to KKR's investments may include the activities of its sponsored funds and insurance subsidiaries. For additional information about KKR & Co. Inc. (NYSE: KKR), please visit KKR's website at www.kkr.com and on Twitter @KKR_Co.

About GrowSari

GrowSari started in 2016 as an ordering platform servicing roughly sari-sari stores in three cities. Today, GrowSari powers the management, growth, and analytics infrastructure across 220 municipalities and is now further expanding. In addition to providing credit and affordable, on-demand inventory, GrowSari's platform also generates crucial data & insights into the operations of these stores for manufacturers and distributors to build their strategies and campaigns upon. GrowSari has also integrated multiple-microservices such as telco load, bills pay, e-commerce, Wi-Fi and other eservices, allowing store-owners to maximize their capital in one wallet and easily expand their business.

GrowSari is certified as a *Great Place To Work*® in the Philippines. The GrowSari leadership team is composed of young and dynamic industry leaders who built their expertise from working with global corporations and consultancies including P&G, Unilever, J&J, and Boston Consulting Group as well as Uber, Globe Telecom, and GCash.

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Source: KKR