

PROPERTY

Venture capital for proptech



Sansiri chief executive Apichart Chutrakul (right) and Siam Commerce Bank Plc president and chief executive Arthid Nanthawithaya (left) announce the launch of Siri Venture Co, headed by Shakrit Chanrungsakul (centre).

Sansiri and SCB form startup support firm

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SET-listed developer Sansiri Plc will join Siam Commercial Bank (SCB) in forming the country's first venture capital firm aimed at investing in property technology (proptech) startups.

Siri Venture has an initial registered capital of 100 million baht of which 90% is held by Sansiri and SCB owns the rest.

According to Apichart Chutrakul, Sansiri's chief executive, the initiative to support proptech startups is mainly due to the rapid development of digital technology has changed way of life across sectors, and to differentiate its products from rivals.

"We will focus on seeking investment opportunities in proptech startups," he said, adding that Sansiri's proptech venture will be used to enhance its own business operations and develop innovative products and services for its customers.

"Moreover, new innovations from this venture can be sold to other real estate

developers or even other businesses," noted Mr Apichart.

SCB's president and chief executive Arthid Nanthawithaya said that the venture supports its strategy to gear towards financial technology (fintech) through its fintech subsidiary Digital Venture.

He expects the proptech firm venture will allow SCB to integrate fintech into the development of proptech, resulting in the joint development of products and services such as online shopping and property loans.

"Digital Venture is focused on fintech as we also look for fintech startups to invest in. This new venture will strengthen us and our partners," said Mr Arthid.

"It will be a great opportunity for SCB to exchange expertise and innovation with Sansiri in the fields of digital payment as well as cutting-edge technology such as blockchain and big data," said Mr Arthid.

Shakrit Chanrungsakul has been appointed as the chief executive of Siri Venture.

He is the vice-chairman of the National Startup Committee and is a well-known specialist in technological innovations, startup mentorship, small business coaching and is the founder of many startup firms

in Thailand.

According to Mr Shakrit, the first task for Siri Venture is to bring Sansiri's mobile application, Home Service Technology, into the property market with the aim to see it used by developers and homeowners in 2017.

At present, this application, created in 2012 is used by only 13,500 of Sansiri's customers from 135 projects.

Mr Shakrit expects to garner 100,000 users by 2019.

Moreover, he plans to create and fund 8-10 proptech startup firms 2017, which will be selected from 30-50 competing teams in the second quarter.

Mr Shakrit's long term plan for Siri Venture is to create 40 startup firms by 2020 with 10 new patented innovations.

"The proptech from Siri Venture will expand not only in Thailand but also to Singapore, Japan and the Middle East, and I aim to engage with at least 300 property projects and 70 partners over the next four years," said Mr Shakrit.

SIRI shares closed on the Stock Exchange of Thailand yesterday at 1.84 baht, down two satang, in trade worth 144 million baht.