

## Acclime looking at HK listing despite PE proposals to avoid too much dilution – CEO

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Acclime, a Hong Kong-headquartered, pan-Asia corporate services provider, has set its sights on becoming a listed company in the medium-term despite approaches from private equity investors, said founder and CEO Martin Crawford.

While a listing is not imminent for the company which was just founded in 2019, Crawford said Hong Kong would be a logical listing venue choice as the local stock market provides liquidity and is attracting decent research coverage on business services providers.

Acclime may start to entertain the idea toward the end of 2023, said Crawford, who was also the former CEO of Baring Private Equity Asia-backed global corporate services provider Vistra.

Acclime is constantly courted by private equity investors. The proposals by the global PE firms it has attracted ranged from writing a growth equity cheque for Acclime to backing it in a merger with or acquisition of another established industry player, Crawford said.

None of those proposals managed to distract the company from pursuing its own roll-up strategy. As the founder put it, “We don’t want to dilute too much.”

Business services is overall a resilient sector, which the debt market is comfortable financing even during the pandemic. Now that it has access to debt capital after receiving its first institutional credit line last year, the CEO believes the company can finance its growth all the way to an initial public offering (IPO) without raising additional equity funding.

Acclime has closed 18 deals to date, focusing on premier services providers with an EBITDA of USD 1.5m or less, Crawford said. This means its preferred targets are smaller than those that are typically in an auction process.

The company will then integrate those newly acquired businesses for more bolt-on deals and also organic growth. Through this strategy, Acclime aims to win market share from competitors and onboard more corporate clients who value premier services in hard-to-navigate emerging markets, he said.

For such deals, the company was able to raise additional equity funding from its early investors, primarily family offices, Crawford said.

The acquisitive growth that Acclime has achieved so far is either 100% or control takeover where Acclime has call option for the balance. Such transactions all include share swaps, but they were structured in a way that Acclime's founding team can control 100% of the voting rights, the founder revealed.

Through bolt-on deals, Acclime has so far gained operational presence in Hong Kong, Thailand, Indonesia, Vietnam, Malaysia, Cambodia, Singapore, Mainland China and Australia, in addition to sales offices in the US and Europe.

The company has a headcount of around 450 across its markets. Its financials last year were on budget, the CEO said without specifying.

Aside from Crawford, Acclime's board includes co-founder and COO Debby Davidson and Director Philip Lynch. Lynch is a former investment banker and the founder of Stem Financial, the financial services investment arm of Hong Kong-based Stem Capital Partners.

Acclime is listed as one of the portfolio companies on Stem Financial's website.

Acclime is joined by other industry players on an acquisitive track to build a regional platform. Singapore-based In.Corp, acquired by Nordic buyout firm EQT in 2016, had executed multiple deals across Southeast Asia and India under EQT's ownership. EQT sold its stake in In.Corp to its PE peer TA Associates earlier this month for an undisclosed amount.

Hong Kong-based Tricor, backed by Permira, is also seeking acquisitions in China's Greater Bay Area and Southeast Asia to boost market share, *Mergermarket* [reported](#) last October citing Tricor Hong Kong management.

by Lizzie Ko in Singapore

## BIDDERS

[Acclime Hong Kong Limited](#)



## OTHERS

[Stem Capital Partners](#)



[In.Corp Global Pte. Ltd.](#)



[Tricor Group](#)



## TARGET

[Acclime Hong Kong Limited](#)



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Cross Border

ECM

Family Owned/Closely

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Private equity related

## Geography

Australia

Cambodia

China

Hong Kong

Indonesia

Malaysia

Singapore

Thailand

Vietnam

**Sectors**

Computer software  
Services (other)

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**Sub-Sectors**

Business support  
services  
Consulting services  
(excl. IT consulting)  
Other services  
Systems integration

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Intelligence ID:  
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