

Determinants of Technology Startup Valuation During and Post Health Crisis - A Qualitative Study in Investors' Perspectives in Malaysia

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The lockdown of economies during the COVID-19 health crisis had put a lot of countries including United States, India, Brazil, France, United Kingdom, Malaysia and others in alarming situations off-guarded. As of 9th August 2021, a total of 210 countries worldwide are affected, claiming 4.3 million lives. Despite the vaccination being administered globally in a rapid pace, the death rate has been progressively increased. Partially this was also caused by the new predominant Delta variant, Covid-19 virus strain that was identified in India in December 2020. It was an unprecedented event that caused all sectors to shutdown simultaneously and making businesses harder to commence. Notwithstanding the numerous research that discussed on valuation for entrepreneurs, there is limited research being carried out on valuation for technology startup firms during and post crisis, specifically health crisis. The question that inevitably surface is, will seasoned investors continue to invest in these technology startup firms amid health crisis like the current Covid-19 pandemic? This research targets to tackle the issue by exploring the Covid-19 health crisis phenomenon and obtaining in-depth understanding on the extended key determinants of valuation for technology startup firms during and post health crisis in the investors' perspective in Malaysia. The primary aim of the research was to extend previous research done by a researcher, Kahn (2018), on the determinants of startup valuation in the venture capital context. This research will use qualitative in-depth interview method to collect data from a group of investors or potential investors that are residing in Malaysia or intending to invest in local Malaysian technology startup firms. The research aims to help investors to identify key determinants in valuation that will assist them in making better commercial decision as to whether to invest on potential technology startup firms during and post health crisis. This research has its high significance practical values especially to the potential investors to manage their financial consideration in local investments as well as assisting the policy makers in curating the local grant initiatives to help technology startup firms to sustain and eventually grow their businesses, thus, initiating the economy in this difficult time.

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