

## Alibaba Taiwan Entrepreneurs Fund leads \$15.5m Series B in Space Cycle



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Alibaba Taiwan Entrepreneurs Fund II, managed by WI Harper Group, has led an RMB100-million (\$15.5 million) Series B round in boutique fitness studio chain Space Cycle. The transaction marks the fund's largest investment to date.

Space Cycle operates six boutique fitness studios in Beijing, Shanghai and Taipei. It provides live fitness experiences, celebrity trainers and curated music playlists through partnerships with popular music streaming services in China.

It plans to use the funding to expand its new concept studios throughout China as well as develop its online platform.

“Converging fitness, music and entertainment has been very successful model in the US market. The same trend is emerging in the Chinese market and Space Cycle is at the

forefront,” said Edward Liu, partner at WI Harper Group, who will be joining Space Cycle’s board.

CastleHill Partners was the financial advisor to Space Cycle for this transaction.

China’s health and fitness industry is forecast to reach more than \$5 billion this year driven by the 385 million urban millennials who have higher disposable income and more health awareness, according to a Space Cycle statement.

Alibaba Group launched Alibaba Taiwan Entrepreneurs Fund in 2015 with a committed capital of TWD10 billion (about \$338 million). According to its website, the Taiwan fund has now invested in 12 companies, including Space Cycle.

The fund invests between \$5 million and \$10 million in companies at the startup, growth and expansion phases. WI Harper manages the Taiwan fund, while Gobi Partners manages Hong Kong-related investments.

Earlier this month, the Taiwan fund also led a \$2.75-million investment in Taiwanese e-commerce Citiesocial.