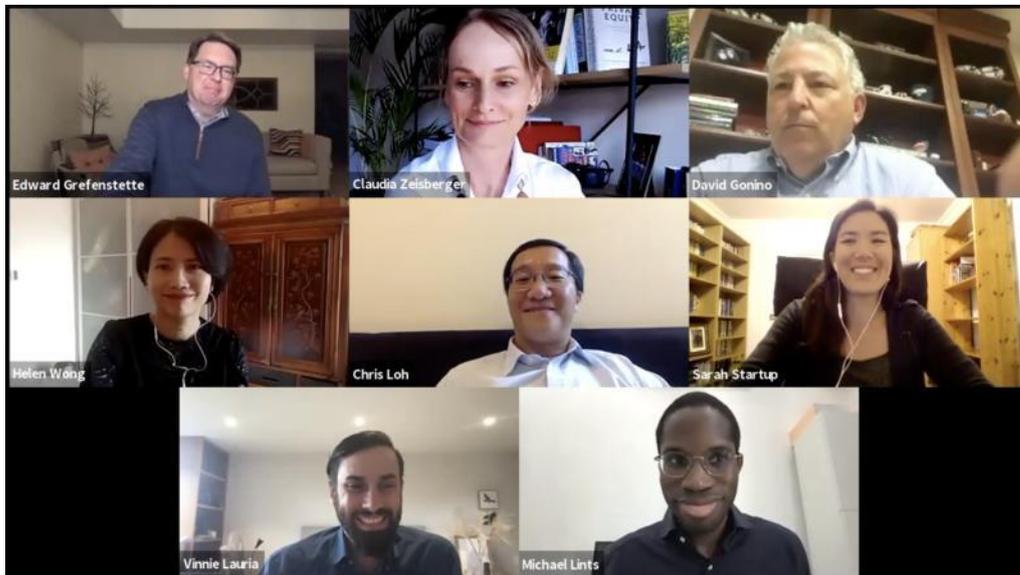


**Outperform Webinar Summary:
Limited Partner strategies for a post-COVID climate: PE and VC allocations**



We dedicate this month's Analysis to a summary of the fantastic content and discussion from our webinar last week focused on LP Allocations in light of Covid-19. Thank you to the fantastic speakers and co-host Golden Gate Ventures for their input and candid sharing. You can access the whole recording here:

<https://ggv.sg/lp-panel-may-recording>

Allocations & opportunities were highlighted as key topics that our audience wanted to learn more about in the live poll. Our panellists all concurred that the private markets industry is a long term, relationship business. This poses serious issues with current travel bans globally and has made due diligence difficult even with existing relationships. Some LPs with the need to deploy now, have adapted and set the bar even higher for new manager allocations, but most LPs are not allocating to new relationships at this time. They will get to know new managers as best they can through online meetings and due diligence within their networks and references but would find it hard to commit to a new fund/relationship at this point in

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time. With the extra time available through lack of travel, extra calls and background checks are the current replacement for those face to face meetings.

All speakers agreed that there were no long-term changes in their allocation strategies and that they would stick to their pace and strategy of allocations and deployment of capital. The LPs did see competition within their overall portfolios for allocation, with public markets' in competition with private markets allocations. In addition, in the short term, credit and potentially distressed assets were seen to be more favourable (although it was noted, that distressed GP relationships would need to be in place already to act in the timely fashion that the strategy requires) Geo-political tensions between the U.S and China, coupled with Covid-19 restrictions, would ensure that U.S LPs who were not fully committed to the China story may pull out of investing in Chinese Venture, but for our speakers, this potential decrease in LP appetite equated to less peer competition for allocation in the region.

Competition between LPs brought us to the question of fundraising where a definite cool down is ahead. This serves to further magnify the haves and have nots within venture funds. Thus continuing the bifurcation of the venture capital industry as well as a further lack of diversity in funds of which the speakers lamented.

Bringing us back to potential positive opportunities borne out of the crisis. It was agreed that there are exceptional opportunities if capital could be deployed now and that pricing would be better than in recent times especially as the industry holds a lot of dry powder currently. However, there was question on how credit will impact valuations and the opportunities available and that a (very) timely approach is needed to fully benefit from a potentially short-lived window of opportunity. And on a side note, away from the China-centred VC landscape, India's positive GDP has caught the eye of some allocators (perhaps a space to watch...)

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On a sector level, healthcare; credit – both liquid and private; distressed and companies with a 100% online advantage were ones to focus on.

In a final note, the mandate to find exceptional investors globally and invest to create successful returns continues as “all crises come to an end”, thus ending on a hopeful message, in a particularly trying time for all, both professionally and personally.

Thank you to all those who took part, we wish you all a healthy period ahead and we look forward to seeing you at our next online or live event soon. We are planning for 18 September in Singapore for the 4th annual Outperform Asia and are accepting LP and GP applications online:

<https://outperformasia.com/apply/>

We are committed to the health and safety of our community, if we cannot run a live event in September, we will transfer any GP packages and partnerships to our 2021 dates and include you on a complimentary basis for any 2020 digital offerings.

A reminder of our co-host’s, INSEAD GPEI, survey on the LP view of ESG which will close shortly, so do share your input into this important research:

Join the survey: https://insead.eu.qualtrics.com/jfe/form/SV_afxQZrn35EYOEWV

Password: INSEAD@ESG