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KK Fund – Growth strategy for VCs

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Executive summary



KK Fund is a Singapore based VC firm, **looking to adopt innovative strategies to scale their operations**. They are currently present in Singapore with new operations starting in South Korea and objective to further expand to other countries within SEA. LPs are typically corporations.

Innovation in the VC space happens both at different steps in the traditional process as well as radically new approaches to VC.

Given the current state of KK Fund and their objectives three potential practices could be adopted to help them scale – launching an **Accelerator** programme, growing a network for **Operational Support** and developing a **VCaaS** model.

Based on findings, we recommend **gradual adoption of all three** starting with an MVP for VCaaS for selected two corporate LPs, while building a network of mentors to increase the successful exits in their portfolio. The network would also support the Accelerator programme, which would enable the VCaaS offering to scale by building a pipeline of start-ups, aligned to the LP's needs.

The gradual transition would allow to spread the costs, while developing a sustainable model replicable in other countries in the region.

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 - Innovation at different stages of the value chain
 - Alternative VC practices
- 3 Selected Deep Dives on innovative practices, closely aligned to KK Fund's objectives:
 - Accelerators
 - Operational model for portfolio companies
 - VCaaS
- 4 Recommended models for consideration

Singapore start-up ecosystem will continue to be central for VC success in the region



Singapore represents ~70% of the total VC investment value in SEA...

...with the tech space demanding more funding as the ecosystem expands and matures

230 PE/ VC deals in 2020

\$6.6b PE/ VC deals in 2020

~80% in Seed or Series A

~93% in digital tech, dominated by Urban Solutions (i.e. Grab)



1

Some sectors will assume larger significance in post Covid-19 world

- FinTech, Analytics and AI) and emerging sub-sectors (e.g. BioTech, CleanTech, AgriTech)

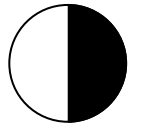
Level of impact



2

As the start-up ecosystem matures, more B, C investment will be sought

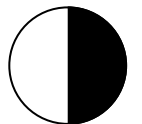
- i.e. sectors such as Urban Solutions and Fintech will require later stage investment and support



3

Online-to-offline (“O2O”) and D2C business models are more aligned to a post-Covid-19 world

- Focusing investment strategies and helping companies within portfolio to adapt to such models may benefit returns



KK Fund is looking to adopt innovative practices to scale presence in SEA



Today

Market Position

- Venture Capital: Seed stage to stage A
- 300k – 500k USD ticket size
- Team size 3

Value Proposition and Focus

- Internet and mobile
- Services:
 - Government support
 - Organizing events
 - Mentoring and board membership
 - Assistance in hiring key personal

Geographical Presence

- Office: SG
- Portfolio: SEA (SG, ID, MY, TH, VN, PH), HK, TW

Success metrics

- Increase fund raising amount
- Net multiple
- IRR: Fund I 32.0%, Fund II 58.6%
- Follow-on rate: 85%

KK Fund's Vision and objectives

Market position

- Venture Capital: Seed stage to stage A
- **500k – 1m USD ticket size**
- **Team size 6**

Value proposition and Focus

- Internet and mobile
- Services:
 - Government support
 - Organizing events
 - Mentoring and board membership
 - Assistance in hiring key personal
 - **Assist Korean startups abroad**

Geographical Presence

- Office: **SG + KR**
- Portfolio: SEA (SG, ID, MY, TH, VN, PH), HK, TW

Success metrics

- Increase fund raising amount
- Net multiple
- IRR
- Follow-on rate

KK Funds Partners, portfolio & LPs today



LPs

Portfolio companies

KK Fund

- LPs are mostly Japanese listed companies; looking for strategic angles
- Two known investors
 - Mistletoe – Japanese VC
 - Sega – Entertainment company



- Mostly tech investments in internet and software companies, they also look at fintech, transport tech and consumer services segments
- Their investments are focused around SEA, mainly across Malaysia, Thailand, Vietnam, Indonesia
- They prefer leading rounds and always look for a board seat

Partners

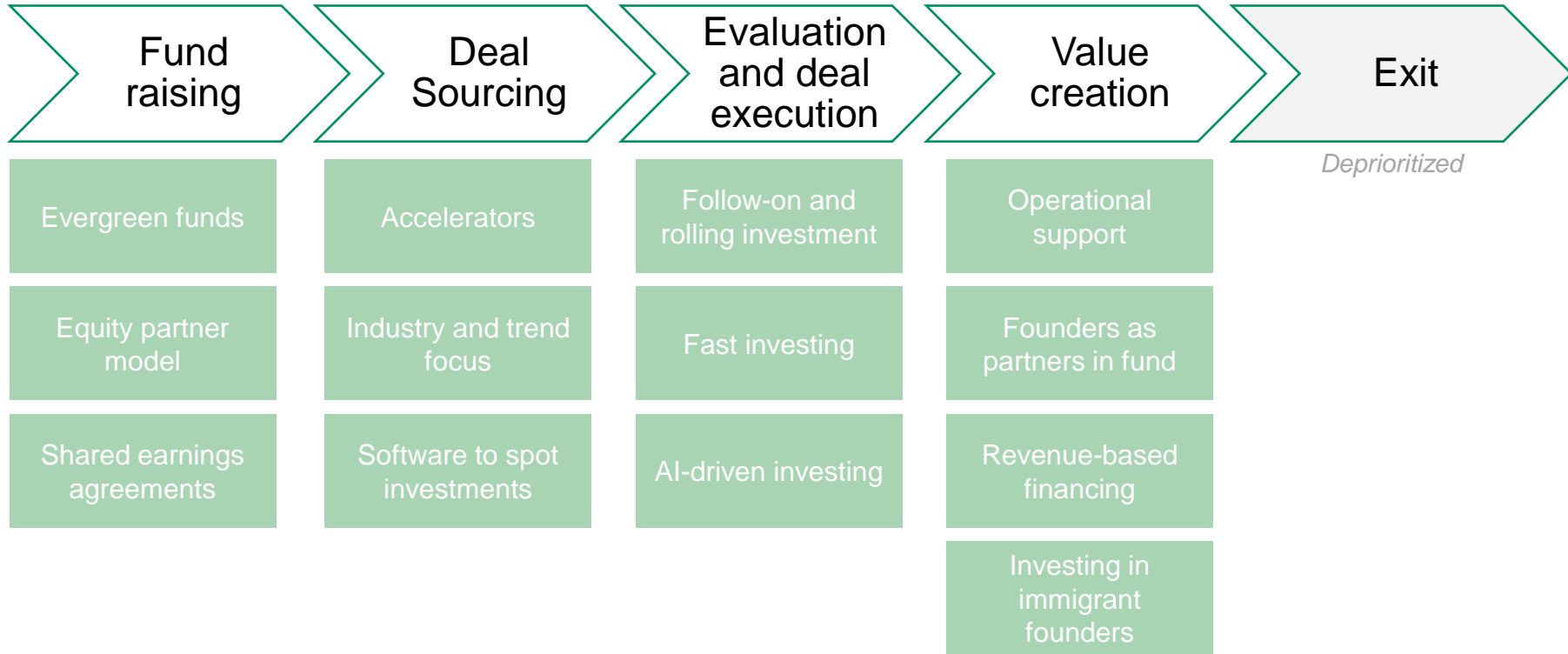
- Partnered with a management consulting company to offer internal innovation to corporates; starting first with the Japanese companies

- Close relationships with the Korean government and aim to bring Korean start-ups outside Korea

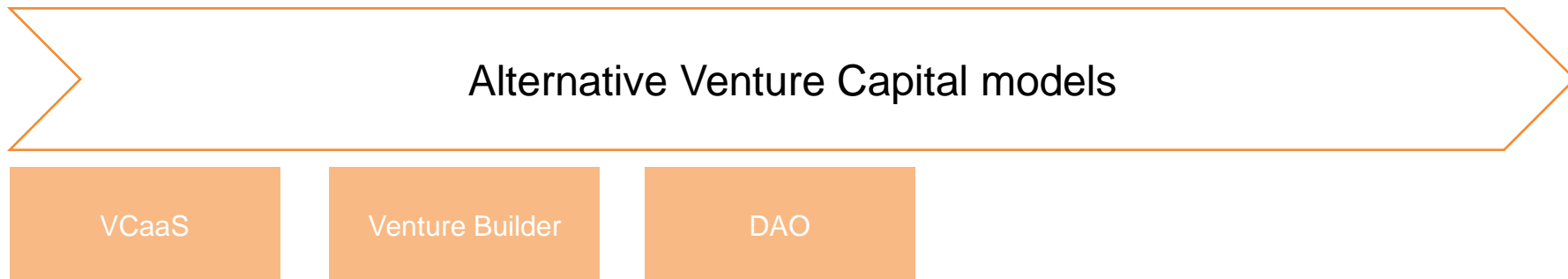
Innovation in VC can be observed as changed approach in the process or a new way of thinking



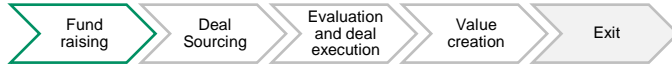
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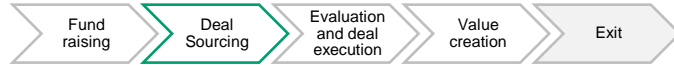











Fund Raising / LP Engagement



| | Description | VC examples | Pros | Cons | KK Fund Feasibility and rationale |
|---|--|---|--|---|--|
| 1 | <p>Evergreen funds</p> <ul style="list-style-type: none"> Funds are evergreen and do not have a set time horizon Funds do not follow the traditional private equity J-curve returns | <p>LOYAL VENTURE FUND GROUP</p> <p>COTA CAPITAL</p> | <ul style="list-style-type: none"> ✓ Less need to worry about exits ✓ More liquidity for the capital invested | <ul style="list-style-type: none"> ✗ Valuation of 'dividends' are harder ✗ Increasing list of portfolio firms to manage | <p>Existing LP relationships may not be flexible</p> |
| 2 | <p>Equity partner model</p> <ul style="list-style-type: none"> An evolution of 'venture partner' model where deep tech experts and companies are brought on as equity partners to the VC | <p>DC >C</p> | <ul style="list-style-type: none"> ✓ LPs have means of obtaining additional rev ✓ Saves operational costs of looking for mentors and experts | <ul style="list-style-type: none"> ✗ Additional portion of the returns to LPs ✗ Higher involvement of LPs in fund operations | <p>Domain-experts could be brought on as equity partners</p> |
| 3 | <p>Shared earnings agreement</p> <ul style="list-style-type: none"> Flexible financial product where VCs earn a percent of founder earnings on a regular basis with optionality to convert to equity based on pre-agreed terms | <p>Earnest Capital</p> <p>collab</p> <p>CHISOS</p> | <ul style="list-style-type: none"> ✓ Less need to worry about exits ✓ More liquidity for the capital invested ✓ More attractive for entrepreneurs | <ul style="list-style-type: none"> ✗ Returns on successful companies are lower ✗ Might vary drastically based on companies and stages | <p>Regular returns might be more appealing to corporate LPs vs return on exits</p> |

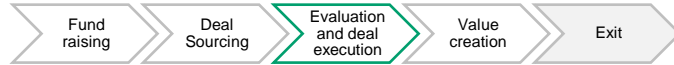
Deal Sourcing












| | Description | VC examples | Pros | Cons | KK Fund Feasibility and rationale |
|--|---|---|--|--|---|
| <div style="background-color: #008080; color: white; padding: 10px; border-radius: 5px;"> 1 Accelerators </div> | <ul style="list-style-type: none"> Assist to accelerate growth of company Focus on scaling the business |    | <ul style="list-style-type: none"> ✓ Time focused ✓ Scale quickly ✓ Bring startups to the next level | <ul style="list-style-type: none"> ✗ Require large pool of mentors with various expertise ✗ Need lots of resources |  <p>KK Fund is actively exploring this</p> |
| <div style="background-color: #c8e6c9; padding: 10px; border-radius: 5px;"> 2 Industry and trend focus </div> | <ul style="list-style-type: none"> Focus on a company in a particular type of industry or on a type of trend |  | <ul style="list-style-type: none"> ✓ Industry specialization and expertise ✓ Able to ride on trends | <ul style="list-style-type: none"> ✗ Smaller pool of target investors |  <p>KK Fund is considering diversity and ESG focus, which are on the rise in SEA</p> |
| <div style="background-color: #c8e6c9; padding: 10px; border-radius: 5px;"> 3 Software to spot investments </div> | <ul style="list-style-type: none"> VC uses software to help them spot potential investments Uses software algorithms that is built by the company |   | <ul style="list-style-type: none"> ✓ Apply data and technology to address pain points ✓ Use software to help portfolio companies hire talent | <ul style="list-style-type: none"> ✗ Large team in engineering and data science |  <p>Current sourcing is mainly through referrals</p> |

■ Prioritised
■ deep dives

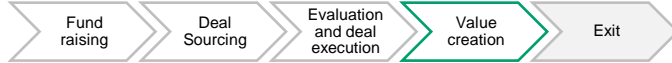
Evaluation and deal execution



| | Description | VC examples | Pros | Cons | KK Fund Feasibility and rationale |
|---|---|--|---|--|--|
| 1 Follow-on and rolling Investing | <ul style="list-style-type: none"> Invest on many start-ups earlier to allow deeper due dil and tracking to later invest more at later stage Raise money on a case by base basis for specific opportunities |   | <ul style="list-style-type: none"> ✓ Rationalize investment decisions based on track-record and LT relationship ✓ Validates investment opportunities through new LPs onboarding | <ul style="list-style-type: none"> ✗ Risk of doubling down on “losers” ✗ Risk of not being able to raise the money needed for a specific investment ✗ Requires more heavy lifting in both cases |  KK Fund is already supporting follow-on investments |
| 2 Fast investing | <ul style="list-style-type: none"> Invest on a large number of start-ups with small amounts Usually performing light due diligence |   | <ul style="list-style-type: none"> ✓ Builds up great visibility ✓ Allows to build large networks in various spaces | <ul style="list-style-type: none"> ✗ Requires intense deal execution processes ✗ Limits the amount of due diligence possible |  KK Fund prefers a hands-on model which isn't ideal in fast investing scenario |
| 3 AI-driven investing | <ul style="list-style-type: none"> Leverage data to build AI models Helps make investment decisions or rankings |   | <ul style="list-style-type: none"> ✓ Apply data and technology to address pain points ✓ Use software to help portfolio companies hire talent | <ul style="list-style-type: none"> ✗ Can be biased by design ✗ Requires proprietary sources of data to make it unique |  Not sufficient enough inflow of deals to justify |

■ Prioritised
■ deep dives

Value creation



| | Description | VC examples | Pros | Cons | KK Fund Feasibility and rationale |
|--------------------------------------|--|-------------|---|--|---|
| 1 Operational support | <ul style="list-style-type: none"> Full stack operational support Dedicated venture developer | | <ul style="list-style-type: none"> ✓ Hands-on operational support ✓ Close attention to portfolio companies | <ul style="list-style-type: none"> ✗ Require pool of experts | <p>Opportunities for partnerships with corporates and operational support</p> |
| 2 Founders as partners in fund | <ul style="list-style-type: none"> Every founder becomes partner in fund & participate in carry 70% of fund reserved for follow-on | | <ul style="list-style-type: none"> ✓ Every founder becomes partner in fund ✓ Stronger community amongst network | <ul style="list-style-type: none"> ✗ No board seat | <p>Builds strong fund community but could risk potential conflicts</p> |
| 3 Revenue-based financing | <ul style="list-style-type: none"> VC loan provider No equity, board seat, personal guarantees Flexible payments | | <ul style="list-style-type: none"> ✓ Flexible payments for founders ✓ No equity dilution for founders ✓ Attractive for follow-on | <ul style="list-style-type: none"> ✗ No equity participation ✗ No board seat | <p>Return model may not gel well with fund mandate</p> |
| 4 Investing in immigrant founders | <ul style="list-style-type: none"> Full US immigration support University Fellowship Invest in immigrant stories | | <ul style="list-style-type: none"> ✓ Immigration support ✓ University fellowship program ✓ Leave room for other strategic co-investments | <ul style="list-style-type: none"> ✗ Specialized skill set | <p>Tight immigration conditions and lack of immigration support</p> |

Prioritised deep dives

Evaluation and deal execution



Alternative Venture Capital models

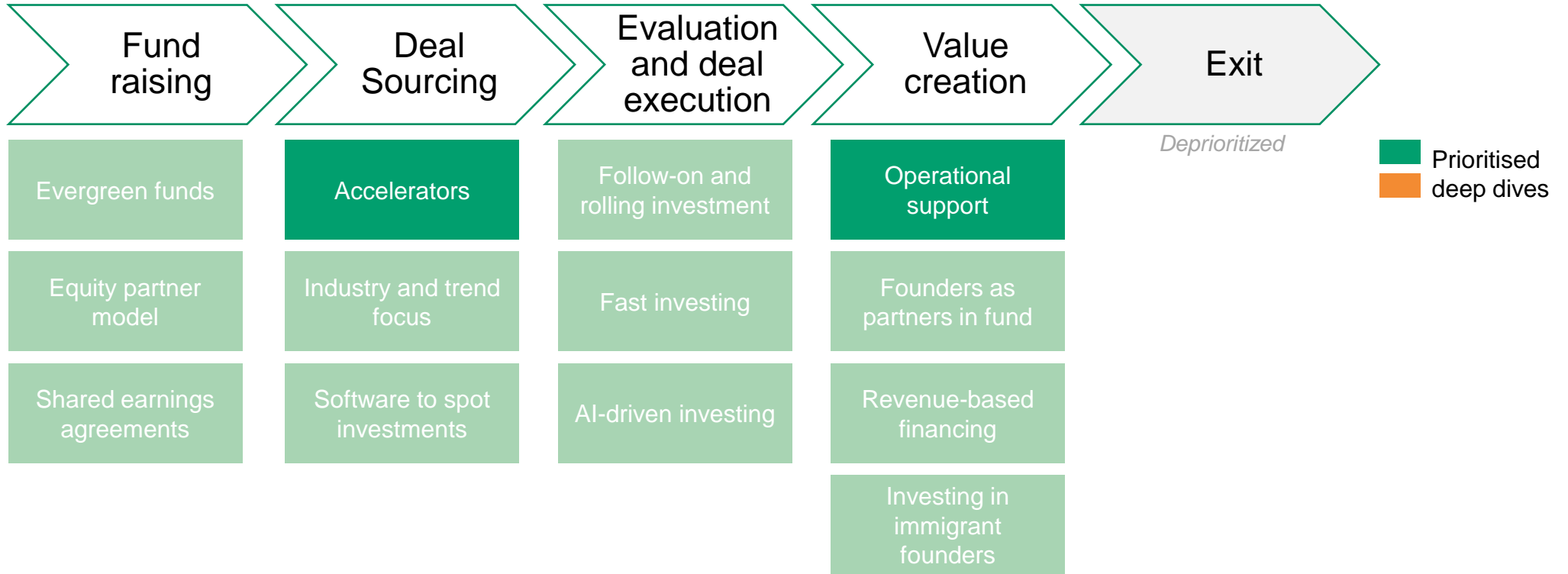
| | Description | VC examples | Pros | Cons | KK Fund Feasibility and rationale |
|----------------------|---|-------------|---|---|---|
| 1 VCaaS | <ul style="list-style-type: none"> Performing deal sourcing, evaluation and execution on behalf of corporate clients often in combination with own funds | | <ul style="list-style-type: none"> ✓ Fundraising simplified through corporations ✓ Access to business guidance and support model from corporations ✓ Complimentary model | <ul style="list-style-type: none"> ✗ Narrower view in deal sourcing ✗ Upside may be reduced if equity is replaced with management fee | <p>KK Fund already supporting Corporate LPs on an ad-hoc basis with private investments</p> |
| 2 Venture builder | <ul style="list-style-type: none"> Model bridging the gap between start-up and VC, where the VC owns and assigns resource to selected ideas from within their network/ clients | | <ul style="list-style-type: none"> ✓ Faster execution ✓ Often increased chances of success ✓ 6/10 success | <ul style="list-style-type: none"> ✗ More significant investment in human capital ✗ Less exposure to 'unicorn' type of deals | <p>No current resources at present but LPs may express interest</p> |
| 3 DAO | <ul style="list-style-type: none"> Community –led VC model with investors contributing crypto Investors perform all standard VC | | <ul style="list-style-type: none"> ✓ Investment based on community vote ✓ High-tech (i.e. DeFi, NFTs) focus ✓ Own ecosystem ✓ High portfolio diversification | <ul style="list-style-type: none"> ✗ Capped number of investors ✗ Investor sign up linked to ETH, which is volatile | <p>KK Fund's strategy is centralized around their corporate LPs</p> |

■ Prioritised
■ deep dives

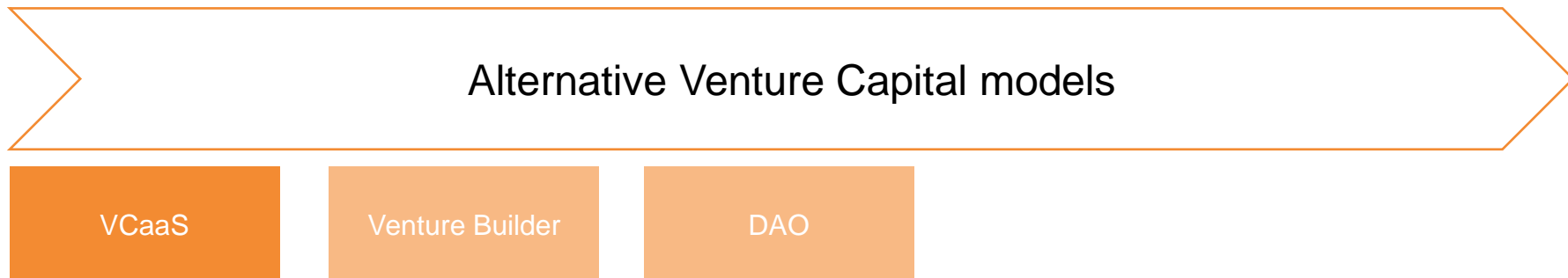
KK Fund's model can be enhanced through accelerator, operational support and VCaaS



1



2



Accelerators: Deep dive



Key elements

- Accelerators help ventures define and build their initial products, identifying promising customer segments and secure resources, including capital and employees
- Provide programs of limited duration that help startups with the new venture process
- These programs typically last around three months
- Usually provide a small amount of seed capital and working space



VC examples in SEA



ImpactTech helps to support startups that create social, environmental and economic impact through programs, workshops and mentorships



True Incube invests in early stage B2B startups across many sectors and provide support for them to launch a successful product



IdeaSpace is a non-profit organization running founder-focused programs for early-stage tech startup founders solving emerging market issues.

Sources: MIT edu

Implications for KK Fund

Benefits

- Increase access to many different types of startups in the early stage
- Able to choose between various startups on which firms to fund
- Short term training and more time focus

Costs

- High cost in training and mentorship programs
- Potential software investment that might have a high upfront cost
- High upfront cost in the form of seed capital and working space and hosting of events

Risks and considerations

- Requires strong relationships with investors
- Potential software issues and algorithm that does not shortlist the right startup companies
- Reputation not as strong as other accelerators

Steps to implement

- Establish strong relationships with investors
- Develop a software that allows KK Fund to sift through companies and select high potential ones
- Test the model in a small scale and see if it works

Accelerators: VC spotlight



Geographies

HQ: Singapore
Portfolio: Present in SEA,
Estonia and Australia

Focus

Sector Agnostic

Key stats

3 investments

1 exits

\$50k-\$500k seed funding

Portfolio examples



Summary

- Spaze Ventures is a startup incubator based in Singapore providing seed funding and intensive hands-on mentorship for pre-launch ideas to seed stage startups.
- The company engages and invests in entrepreneurs and startups in the earliest stage possible, and works with the team to launch and grow
- Typically provide \$50k - \$500k for the initial tranche for a small equity stake before topping up along the way

Value proposition

- Provide mentorship-driven startup incubator and community that provides seed funding, mentorship and training for entrepreneurs in Singapore
- Engages and invests in startups at the earliest stage possible
- Strong network of mentors, senior industry representatives and investors to help build the companies and scale up
- Focuses on high growth and disruptive tech startups with a focus on financial services, education, healthcare services, e-commerce, mobile and enterprise technology

Spaze Ventures showcases a successful implementation of accelerator and operational support for portfolio companies

Operational Support: Deep dive



Key elements

- VC generally have a **pyramid structure** with partners supported by various experts focusing filling operational needs of portfolio companies, usually with dedicated venture developer
- Internally house **functional or industry experts** that work with portfolio companies on a project basis
- Externally have a strong **network** of mentors, entrepreneurs-in-residence, experts; or discounted **access to venture partners**



VC examples in SEA



East Ventures provides non-capital support such as EV Hive co-working space that provide desk and discussion space for their founder community



Antler brings together experienced operators, great technologists, and entrepreneurs to start their company



Venture builder with patient capital and team of functional leads to help founders grow their business

Implications for KK Fund

Benefits

- Useful and standout value proposition to pick KK Fund as a preferred VC for portfolio companies
- Increase execution success rate within portfolio companies and forms better working relationship
- Complements VCaaS offering and other corporate partnership programs

Costs

- Hiring of functional or industry experts that are most in demand for targeted portfolio companies
- Partnership costs for working with selected venture partners
- New cost center for fund

Risks and considerations

- Conflicts between founders and experts on direction of company, culture, objectives, pace, etc.
- Inhouse experts may not be fully aligned with long-term objectives of VC fund
- Misalignment between needs of portfolio companies and skillset of experts

Steps to implement

- Identify top operational support needs among target portfolio companies
- Define staffing plan for delivering operational support
- Hire required experts or collaborate with relevant venture partners

Operational Support: VC spotlight



Geographies

HQ: DE

Portfolio: DE, SE, US, GB,
NL, DK, BR, Others

Focus

Digital Businesses

Key stats

4 funds

440m EUR raised

27 exits

Portfolio examples



Summary

- Full stack operational support covering Hiring, Sales, Marketing, Engineering, Product, Design Data, Business Intelligence and Communications
- Operational support come in the form of projects
 - Projects range from 1 hour to 3 months
 - Available to portfolio companies at cost
 - Occasional backlog of projects; there is some prioritization
- Partner compensation capped to fund operational support
- LPs acknowledge the value proposition
- Reserve \$30m of follow-on capital

Value proposition

- Operational VC
- Dedicated venture developer for portfolio companies and a team of 90+ full time operational experts

Project A's total number of exits prove the value of the additional cost for developing the operational support network

VCaaS: Deep dive



Key elements

- Emerging service in San Francisco and Europe
- VC firm helps the corporate client define their investment strategy, followed by targeted deal sourcing, DD and portfolio management support
- Some differentiate themselves with giving access to software or resources to support clients with portfolio management
- **Economics:** Some VCs co-invest with their clients, which provides 'skin in the game', while others earn a management fee and co-investors

REDSTONE

VERVE
VENTURES

techmind



VC examples in SEA



Acting as a VC arm for corporates in Singapore for a flat monthly rate with no long-term commitment

Implications for KK Fund

Benefits

- Strong relationship with corporate LPs
- Not yet a popular strategy in SEA, which could help KK Fund gain competitive advantage
- Potential for differentiated revenue model if flat fee model applied

Costs

- Need for a large database of potential companies and move away from 'referral mainly' deal sourcing
- Specialized talent may be required for sector specific investments
- Database management software investment and data scientist considerations as the function grows

Risks and considerations

- Conflict of interests between own fund investments and corporate targeted investments (potentially mitigated through co-investment)

Steps to implement

- MVP with one-two existing corporate clients – defining bespoke strategies and investments for them. Test most appropriate economics model

VCaaS: VC spotlight



Geographies

Nordics countries

Focus

Sustainability, Energy, Supply chain, Material innovation

Key stats

18M EUR Revenue from scaled projects

50 partnerships (investments)

60% scaling on global markets

Portfolio examples



Summary

- CombiEnt Foundry has 30 corporate clients in the Nordics for which it designs investment strategies
- They combine **Accelerator and VCaaS** approach to venture capital
- Three times a year they publish a newsletter of 'needs', which attracts specific startup ideas to respond to these needs
- CombiEnt Foundry performs initial screening (~500 companies) and organizes pitch days for the selected start-ups and corporate clients
- ~50% of the 20 invited companies get funded, with deals worth 50k-200k

Value proposition

- Providing a targeted Dragon's Den approach to CVC, which does not feel like 'waste of time' for corporate clients
- Supporting the corporate clients through the full VC journey
- Limited number of clients ensures focused strategies are delivered and 'needs' are fulfilled

CombiEnt Foundry's strategy is concentrated around their corporate clients, which has similarities with KK Fund's LPs. They have successfully implemented an accelerator and VCaaS model, which could enhance KK Fund's relationships with their LPs.

Key Takeaways



- 1 VCaaS is most closely aligned with KK Funds' direction of travel. However, it may create conflict of interest with other fund and would require an increase in scouting activities
- 2 Developing an operational support network would enhance the portfolio success of KK Fund. It would also augment a VCaaS strategy if adopted
- 3 Building an accelerator would require some elements of operational support network development (i.e. mentors, judges). Thus, the two should be considered hand in hand.
- 4 VCaaS and Accelerator strategies should be supported with investment in software to manage pipeline effectively



KK Fund should align approach with existing LPs. All strategies in isolation could benefit these relationships but may require significant investment

We recommend an MVP with VCaaS while simultaneously building the Op Support network



Accelerator + Operational support

Rationale:

Can enable a quick entry in South Korea market

Benefits:

- Larger pool of companies to choose from
- Potential increase in successful exits

Costs:

- Software
- Resource for network engagement and management

Risks:

- Competitors are already active in the space. May require time to build reputation

Operational Support + VCaaS

Rationale:

Will enhance existing LP engagement

Benefits:

- Deeper relationships with LPs
- Scalable entry to new markets

Costs:

- Deal scouting increase
 - Network building
 - Software

Risks:

- Conflict of interest with existing fund
- Likely limited model to fixed amount of firms

Accelerator, Operational Support + VCaaS

Rationale:

Provides long term competitive advantage and aligned to KK Fund's LP engagement model

Benefits:

- Scalable and easily replicable geographically model

Costs:

- Deal scouting increase
 - Network building
 - Software

Risks:

- Revenue model may need to be adjusted to avoid conflict of interest



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EUROPE

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ASIA

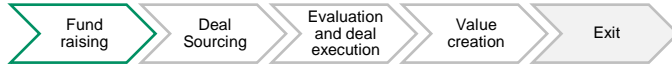
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MIDDLE EAST

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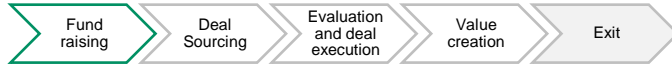
NORTH AMERICA

Deep Dive - Equity Partner Model



| | Description | VC examples | How it works / Economic Details | Specific Example Details |
|-----------------------------|---|--|--|---|
| <p>Equity partner model</p> | <ul style="list-style-type: none">An evolution of 'venture partner' model where deep tech experts and companies are brought on as equity partners to the VC |  | <ul style="list-style-type: none">These partners help with<ul style="list-style-type: none">deal flowvetting processdue diligence and evaluating startupsprovide ongoing assistance to the portfolio when it comes to large data problems and challenges.They own a pre-agreed carry percent in the fund | <ul style="list-style-type: none">DCVC's equity partners include Jawbone's VP of Data Monica Rogati, Facebook's head of analytics Ken Rudin, Splunk's CTO Todd Papaioannou and Factual founder Gil Elbaz. |

Deep Dive – Shared Earnings Agreement



| | Description | How it works / Economic Details | Specific Example Details |
|----------------------------------|--|--|---|
| <p>Shared earnings agreement</p> | <ul style="list-style-type: none"> Flexible financial product where VCs earn a percent of founder earnings on a regular basis with optionality to convert to equity based on pre-agreed terms <p>VC examples</p> <p>Earnest Capital</p> <p>collab</p> <p>CHISOS</p> | <p>Short-term Earnings</p> <ul style="list-style-type: none"> Investors get an agreed upon percentage of earnings, called Shared Earnings A Founder Earnings Threshold is agreed to and the investor percentage only kicks in once Founder Earnings exceed the threshold. A Shared Earnings Cap that is a multiple of the initial investment is also defined. Once the Shared Earnings Cap is paid back, Shared Earnings stop, and no payments are made back to investors. <p>Long-term Earnings</p> <ul style="list-style-type: none"> This agreement also includes an Equity Basis (the numerator) and a Valuation Cap (denominator) which defines a percentage of the company that investors are entitled to if the founders decide to either a) sell the company or b) raise a priced round of equity like a Series A from a traditional VC. That Equity Basis is reduced over time as Shared Earnings payments are made, but there is a residual Equity Basis that remains after the Shared Earnings Cap is fully repaid, so investors are still incentivized to help founders keep building the company. <p>LP Engagement</p> <ul style="list-style-type: none"> LPs subscribe to a flexible quarterly commitment to Earnest funds, rather than committing a large amount of money upfront and having randomly timed capital calls for years. This helps with predictability, flexibility and expectation management. | <ul style="list-style-type: none"> In Earnest Capital deals a Shared Earnings Cap can be anywhere from 2-5x the initial investment. Earnest subscriptions will charge a one-time 12.5% subscription fee, once, on each quarter's commitment as it comes in. This lets them run their operations. Earnest still charges a standard 20% "carry" on the profits of the fund once investors get their full investment amount back. Chisos is also similar where they invest in a combination of short-term and long-term benefits |

Who we are?



Max SUMARGO

- Has 6+ years of experience as a forex and fixed income product specialist for Bank of Singapore.
- Holds a B.S. Operations Research from Columbia University and B.A. Management Engineering from Pitzer College



Ivanina STOYANOVA

- 5 years in payments in an in-house consulting role with focus growth strategies and innovation.
- Holds a BSc in Economics from Aston University.
- Ran a family business prior to University



Charles BERNARD

- 6+ years experience of product management and strategy in high growth ventures in the UK and US
- Angel Investor and Advisor for 5 companies ranging from Mobility and AI to Food Tech (exited 2 of them)
- Holds an MSc in Risk and Investment Management from EDHEC Business School



Jacob John KUTTISSERIL

- 5 years in driving innovation and partnerships in tech and corporate VC
- Experienced in growing partnerships and go-to-market strategies to achieve business growth
- Holds a BEng in Electrical Engineering from National University of Singapore



Grace THAM

- Has 6+ years of experience in Supply Chain within the Oil and Gas industry
- Holds a B.S. Industrial Engineering from the University of Washington



Sky SONG

- 4 years of startup experience and 3 years of Fortune 500 energy and technology experience
- Holds a B.A. in Political Science at University of Rochester

We understand that KK Fund wants to explore best practices across successful VC firms to adopt



Project Scope

Key question:

How should a smaller VC firm scale and what are the best practices globally by VC firms that KK fund can model after?

Objective:

Deliver a presentation and report that describes **actionable steps KK Fund can take** based on feasibility study and expected results

Approach:

- Develop a detailed understanding of KK Fund's current state and objectives
- Conduct in-depth analysis on VC successes and best practices through desk research and interviews with VCs and VC-backed firms
- Develop proposal based on applicability of identified models to KK Fund's specificities
- Play back analysis and findings regularly and incorporate feedback on a weekly basis

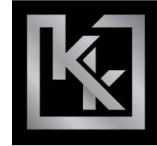
Suggested engagement model

- **Weekly meetings** (Thursday or Friday) of core INSEAD team and Kuan Hsu (project champion). KK Fund members to be invited as relevant
- **Ad-hoc** meetings wherever necessary
- **INSEAD team point of contact:** Jacob John Kuttisseril

Resources required

- **Key databases:** Preqin, Tracxn, Crunchbase
- **Internal data:** access to data to assess portfolio driven successes; KK Fund's practices and structure
- **Interviews:** support in scheduling interviews with portfolio companies and other VCs

We suggest the following project plan and timeline (1)



March 15th – March 19th
(week 1)



Kick-off engagement and initiate fact finding and internal analysis

- Initial kick-off meeting and introductions
- Confirm timelines, definitions, deliverables and resources
- Interview KK Fund representatives and collate internal data
- Conduct interviews with firms backed by KK Fund

Kick off meeting
(date TBC)

March 22nd – March 26th
(week 2)



VC Industry analysis (1)

- Deep-dive into the VC industries in developed countries
- Identify success stories of smaller VCs
- Highlight best practices that led to their successes
- Conduct interviews with VCs and VC-backed firms

Present success stories and best practices in SEA & seek feedback

March 29th – April 2nd
(week 3)



VC industry analysis (2)

- Deep-dive into the VC industries in developing countries
- Identify success stories of smaller VCs
- Highlight best practices that led to their successes
- Conduct interviews with VCs and VC-backed firms

Present success stories and best practices in China & seek feedback. If time allows it

Sprint theme

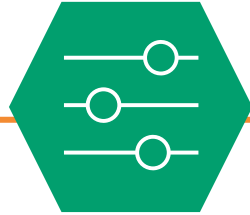
Activity

Key output/ meeting

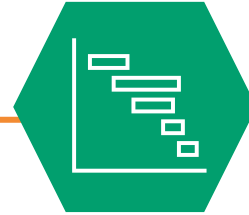
We suggest the following project plan and timeline (2)



April 5th – April 9th
(week 4)



April 12th – April 16th
(week 5)



April 19th – April 23rd
(week 6)



Sprint theme

Options development and feasibility analysis

Deep dive into selected option & feedback

Final report

Activity

- Develop scenarios for adopting best practices based on industry analysis and feedback
- Assess KK Fund's current position relative to these and feasibility

- Present detailed approach to adopting selecting option
- Develop high level implementation plan for KK Fund
- Highlight potential risks and considerations
- Highlight benefits of adoption and expected outcome

- Incorporate feedback from previous meeting and update plan

Key output/ meeting

Present 3-4 options and their applicability to KK Fund
Select 1 or 2 options to deep dive

Present deep dive and preliminary action plan for implementation

Submit final presentation