

Organised By:
Career Services
NUS Business School

Confessions of a Venture Capitalist, Private Equity & Angel Investor

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Business Concept Pte Ltd

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9.30am - 11.30am
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Slides: www.bc.com.sg / Activities

Introduction

Present

Business Family Strategist & Manager-Investor

Past

Auditor, Accountant & Financial Controller,
International Business, General Manager, Venture Capitalist,
Family Business Successor, PE/Angel Investor & Entrepreneur

Education

B.ACC (NUS), MSc (International Marketing), FCA, MSID

Others

Conceptualized and co-authored parenting book: “How to raise
Happy, Healthy and Intelligent Kids”

Guinness World Record Holder of Goshenite Gem



- Founded in 1990, immediate family investment, VFO (Virtual Family Office)
- Provider of manager-investor and business family strategist services
- Investing in private equities, properties, artists & philanthropic ventures



- Founded in 1937 by my grandfather & 3 friends, an extended multi-family business in TCM & Western OTC drugs, with operations in Singapore, Malaysia & Indonesia
- 3G business leader 1995 – 2011, embedded family office activities at holding
- Invested in properties and started Corporate Venture Capital (CVC) to align with the group's business objectives

Psychology of Wealth : **RATE** Of Return



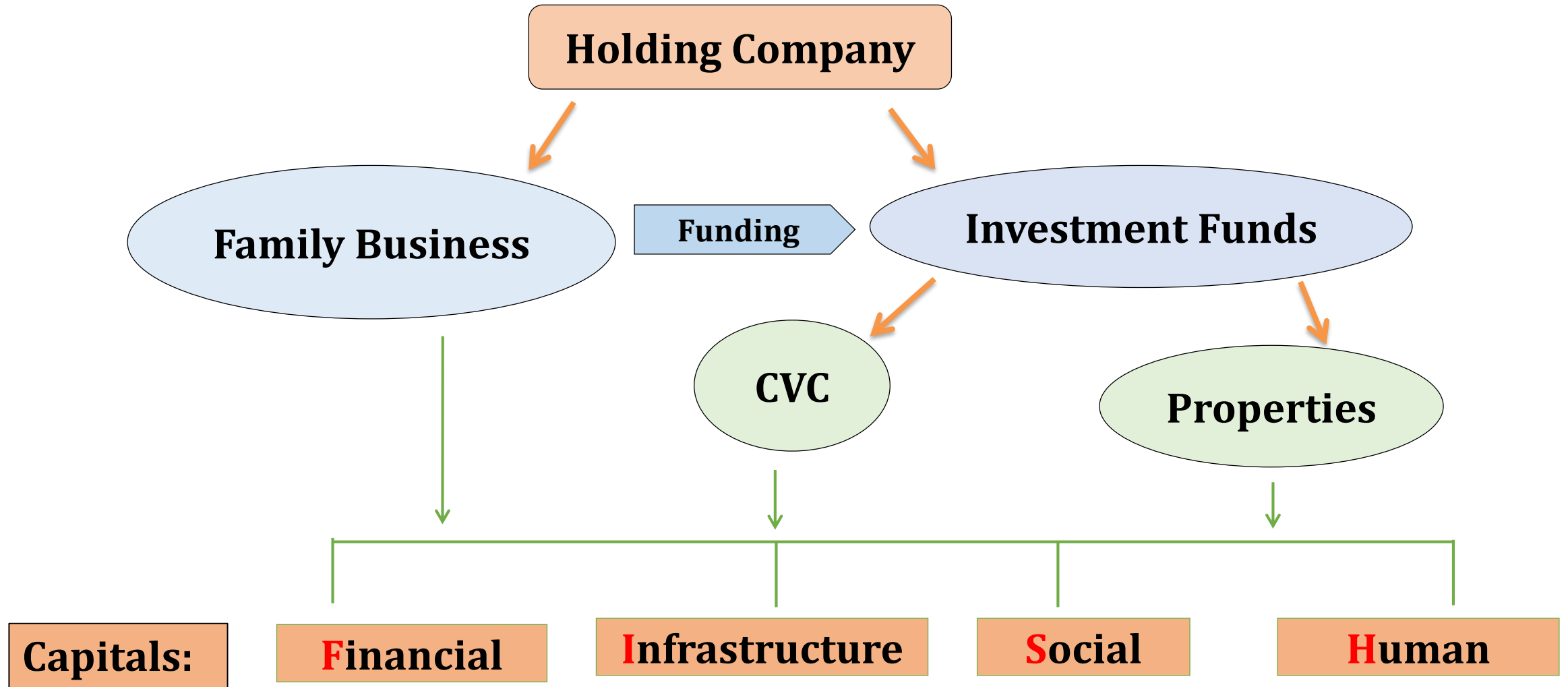
Return on Investment

Alignment of Objectives

Time - Personal Involvement

Emotion in the Investment

Embedded Family Office Activities at Holding & **FISH** Capitals



Factors to Consider Investing as VC, PE & AI



Creating Value thru People & Ideas

People Ideas Knowledge

4 S

✓ Luck

Structure

Synergy

Speed

Social

www.bc.com.sg / portfolio – MarinEx, GlucosCare & Faesol

Understanding the Difference

- **Angel Capital** is private equity provided by angel investors (i.e. UHNWI/HNWI, family members and friends) for start-up businesses.
- **Venture Capital** is private equity provided by funds, corporations & government agencies to small, early-stage, emerging firms that are deemed to have high growth potential or for strategic reasons.
- **Private Equity** is composed of funds, corporations & government agencies that invest in private companies, or that engage in buyouts of public companies, resulting in the delisting of public equity. PE firms typically invest equity, but also borrow a significant amount of money to enhance their levered rate of return.

Understanding the Difference

- Professional Venture Capital & Private Equity Funds raise money from **Limited Partners (LPs)** like insurance companies, educational endowments, pension funds, government agencies, established organizations, family offices and UHNWI/HNWI.
- **General Partners (GPs)** are partners of the management company of fund companies. GPs raise and manage the funds, set and make investment decisions, and help their portfolio companies exit, and have fiduciary responsibilities to their LPs.

Stages of Equity Funding

- Pre-seed (Self, Family & Friends)
- Seed stage (Angels)
- Early stage (VC series A & B)
- Later stage (VC series C, D, etc.)
- Mezzanine stage (PE)
- IPO & after (Public & PE)



Duties of Fund Managers

**Research
Economy**

**Research
Industry**

**Fund
Raising**

**Deal
Sourcing**

**Selection &
Evaluation**

**Due
Diligence**

**Term Sheets,
Negotiation &
Structuring**

**Legal
Documents &
Due Diligence**

**Monitoring &
Value adding**

**Exit: IPO,
Buyback,
M&A & Sale**

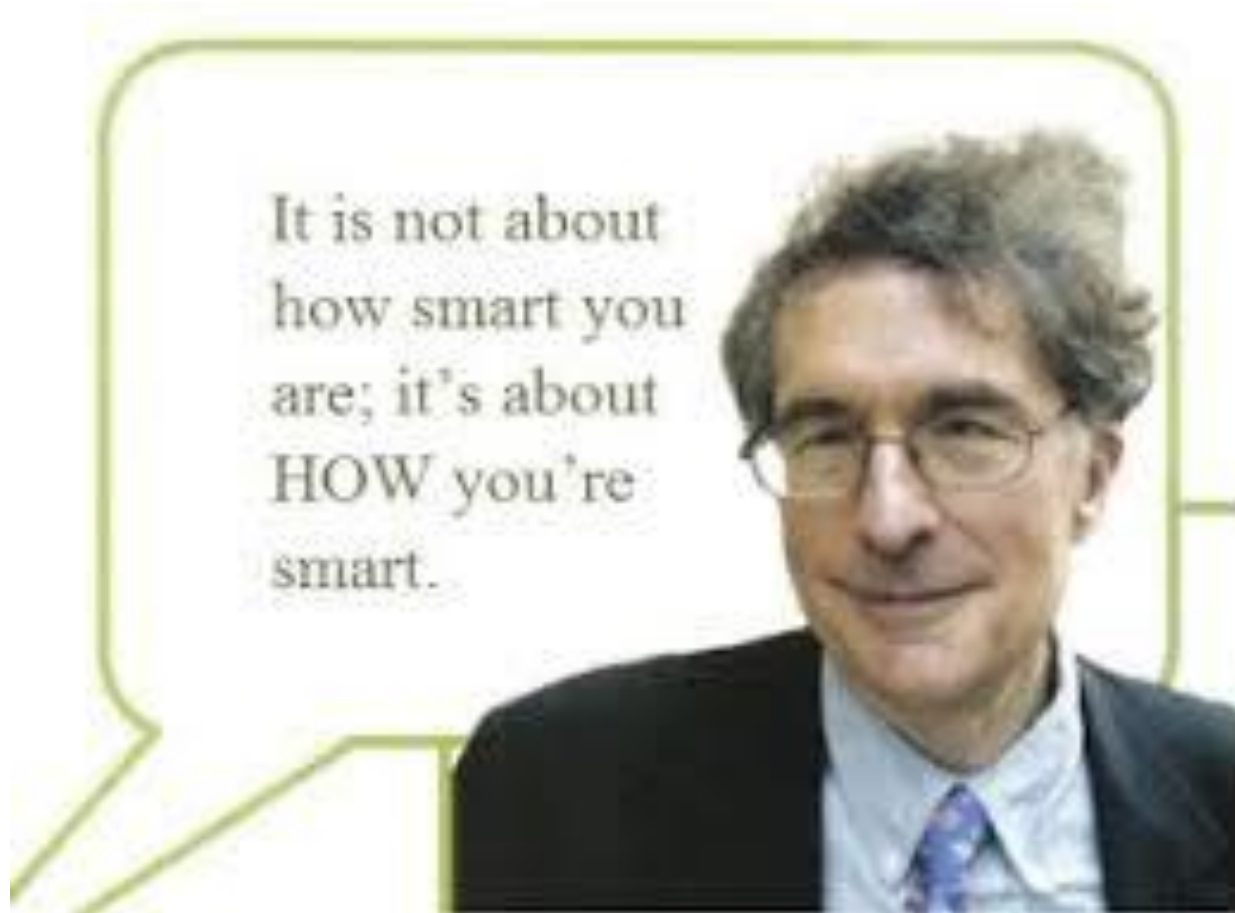
Corporate Venture Capital (CVC)

- CVC is the investment of corporate funds directly in external startup companies, to which it may also provide management and marketing expertise.
- Main goal of CVC is to gain a competitive advantage access to new, innovative companies which may become potential competitors in the future.
- CVC strives to achieve goals both strategically and financially.
- CVCs do not have to adhere to a strict 'returns-only' strategy or have a fund life (i.e. can invest into start-ups for the longer term).

Corporate Venture Capital (CVC)

- Active global CVCs: Google Ventures, Intel Capital & Qualcomm Ventures.
- Active Asia-based CVCs: Samsung Ventures, Bertelsmann Asia Investments & Mitsui & Co. Global Investment.
- Active Singapore CVCs: ST Engineering Ventures, SingTel Innov8, PSA unboxed & C31 Ventures.
- Healthcare CVCs: Novartis Venture Fund, Johnson & Johnson Innovation, SR One, Alexandria Venture Investments, Roche Venture Fund, Pfizer Venture Investments & Novo Ventures.

Howard Gardner: Theory of multiple intelligences



Musical-rhythmic

Visual-spatial

Verbal-linguistic *

Logical-mathematical *

Bodily-kinesthetic

Interpersonal *

Intrapersonal

Naturalistic

Existential

Additional intelligences

Discussion on *RATE* of Return for:

VC & PE

CVC

**Educational
Endowments**

**Insurance
Companies**

**Pension
Funds**

**Family
Offices**

**Govt
Agencies**

**UHNWI
& HNWI**

LPs

GPs

**Established
Organizations**

**Angels, Family
& Friends**

Why & How to Network?

- It's not what you know, but who you know.
- All things being equal, people will do business with and refer business to those people they know, like and trust.

(Know, like and trust: The Essence of Networking, Bob Burg, Aug 17,2016, bizjournals.com)

- Elevator speeches in introducing yourself.
- Sharing experiences.