



CAPITAL PLUS PRIVATE LIMITED  
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## **COURSE ON BASIC VENTURE CAPITAL & PRIVATE EQUITY FOR INDUSTRY PROFESSIONALS**

### **Course Objective**

- A short two-day course which will train the participant in the basic knowledge and skills required of an investment professional in the Venture Capital and Private Equity (VC/PE) industry.

### **Intended Participants**

- Newly-recruited VC/PE investment staff with little or no experience in VC/PE
- Existing VC/PE investment staff who have not attended formal training and who wish to upgrade their knowledge and skills
- Staff who need to understand the mechanic and intrigues of VC/PE in order to formulate and/or administer VC/PE policies in the course of their work

### **Course Outline**

#### **Part 1 – General Overview**

- VC/PE as an Investment Asset Class
  - Historical Development of VC
  - Definition and Types of VC/PE investments
  - Characteristics of VC/PE investments
  - Comparison of VC/PE with other investment asset classes
- VC/PE as a source of Capital
  - Sources of Capital
  - Role in the funding cycle
- VC/PE Industry Review
  - USA
  - Europe
  - Asia

#### **Part 2 - Fund of Funds**

- Overview
- Typical Structures and Tax Implications
- Due Diligence
  - Evaluation of Track Record of Sponsors and General Partner
- Evaluation of Terms offered by Sponsor/General Partner
  - Management Fee



- Hurdle Rate
- Different ways of calculation of Performance Bonus & Their Implications
- Catch Up
- Clawback
- The Term Sheet
  - Mandate of Fund
  - Role of GP and LPs
  - Commitment Period and Conditions for Canceling Commitment
  - Approval Process
  - Reporting
- Portfolio Management
  - Establishing an effective Portfolio Management system
  - Allocation of Resources
  - Evaluating the Performance of the Fund & the GP/Fund Manager
- Fund Administration
  - Overview of Fund Administration
  - Elements of Fund Administration
  - Monitoring & Reporting
  - Performance Measurement & Monitoring
  - Portfolio Valuation Techniques practiced by the Industry

### **Part 3 – Direct Investments**

- Overview
- Origination & Screening
- Due Diligence
- Financial Modeling
- Valuation Techniques
- Structuring
  - Typical VC/PE instruments e.g. Redeemable Convertible Preference Shares, Convertible Bonds/Notes
  - Anti-dilution provisions - ratchets
  - Other Minority Shareholders' protections
- The Term Sheet - Protecting the Entrepreneur and the Investor's interests
- Deal Closing & Legal Documentations
- Portfolio Management
  - Establishing an effective Portfolio Management system
  - Allocation of Resources
  - Surveillance & Verification of Performance of investee companies
  - Roles & Responsibilities of being a representative on the board and/or committees of investee companies
  - Formulating a monitoring plan for investee companies



- Value-adding
- Follow-On decisions (cut-loss, invest more resources or other decisions)
- Divestment – Concept & Practice
- Fund Administration
  - Overview of Fund Administration
  - Elements of Fund Administration
  - Monitoring & Reporting
  - Performance Measurement & Monitoring
  - Portfolio Valuation Techniques practiced by the Industry
  - Divestment Administration & Control

#### Part 4 – General Topics For Fund of Funds & Direct Investments

- Types of Post Investment Structure & Concepts
- Risk Management
- Establishing a Feedback Loop to the Investing Stage
  - Validation of Investment Thesis
  - Monitoring Case Discussions
  - Data-Mining

#### Part 5 – VC/PE in Practice

- VC/PE in Practice (1)
  - What works and what doesn't - Case Studies
- VC/PE in Practice (2)
  - Evaluating Investment Structures - Class Discussion



## **BRIEF RESUME OF TRAINER**

### **EU LEE KOON**

Eu Lee Koon is the Founder and Executive Director of Capital Plus Pte Ltd. He started his career in the VC and Private Equity industry (VC/PE) with AIA-Walden, a joint venture between US-based Walden International Investment Group and the American Investment Group. Subsequently, he left to help set up and oversee the operation of an emerging country direct investment fund, whose major shareholders were Singapore's OCBC Bank and Temasek Holdings.

His most recent appointment was at the Private Equity arm of the Government of Singapore Investment Corporation (GIC), where he helped to set up the Portfolio Monitoring Group, which oversees and conducts all post-investment activities such as Fund Administration, Portfolio Management and Divestment Planning & Execution.

Joining GIC at the beginning of the 1997 Asian Financial Crisis, he gained valuable experience handling troubled investee companies in the region affected by the crisis. While there, he also led a team to study the industry practices of various established Private Equity and VC fund managers in the US, Europe and Asia.

Throughout his VC and Private Equity career, he has had exposure to all aspects of VC & PE, from Fund-raising to Divestment.

Lee Koon holds a Bachelor of Engineering (honours) degree and an MBA from the National University of Singapore.

## **ABOUT CAPITAL PLUS PRIVATE LIMITED**

Capital Plus Private Limited is a Singapore-incorporated company specializing in the provision of Venture Capital & Private Equity Training and Consulting services to the industry. Capital Plus has previously conducted in-house VC/PE courses for staff of *Singapore's TIF Ventures, the Economic Development Board, Agency for Science, Technology & Research and the Defence Science & Technology Agency*. It also conducts regular public seminars and workshops on VC/PE and related subjects at the *Singapore Institute of Management (SIM), the Singapore Human Resource Institute and the Singapore Accountancy Academy*. It offers Consulting services such as fund-raising for start-ups and early stage companies, investment due diligence, valuation and development of Business Plans. Clients include both private companies as well as government agencies.