



Introduction to VC and MAVCAP

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www.mavcap.com

AGENDA

PART I: Brief Introduction to Venture Capital (VC)

- i. The Funding Spectrum
- ii. What is VC
- iii. How VC Works

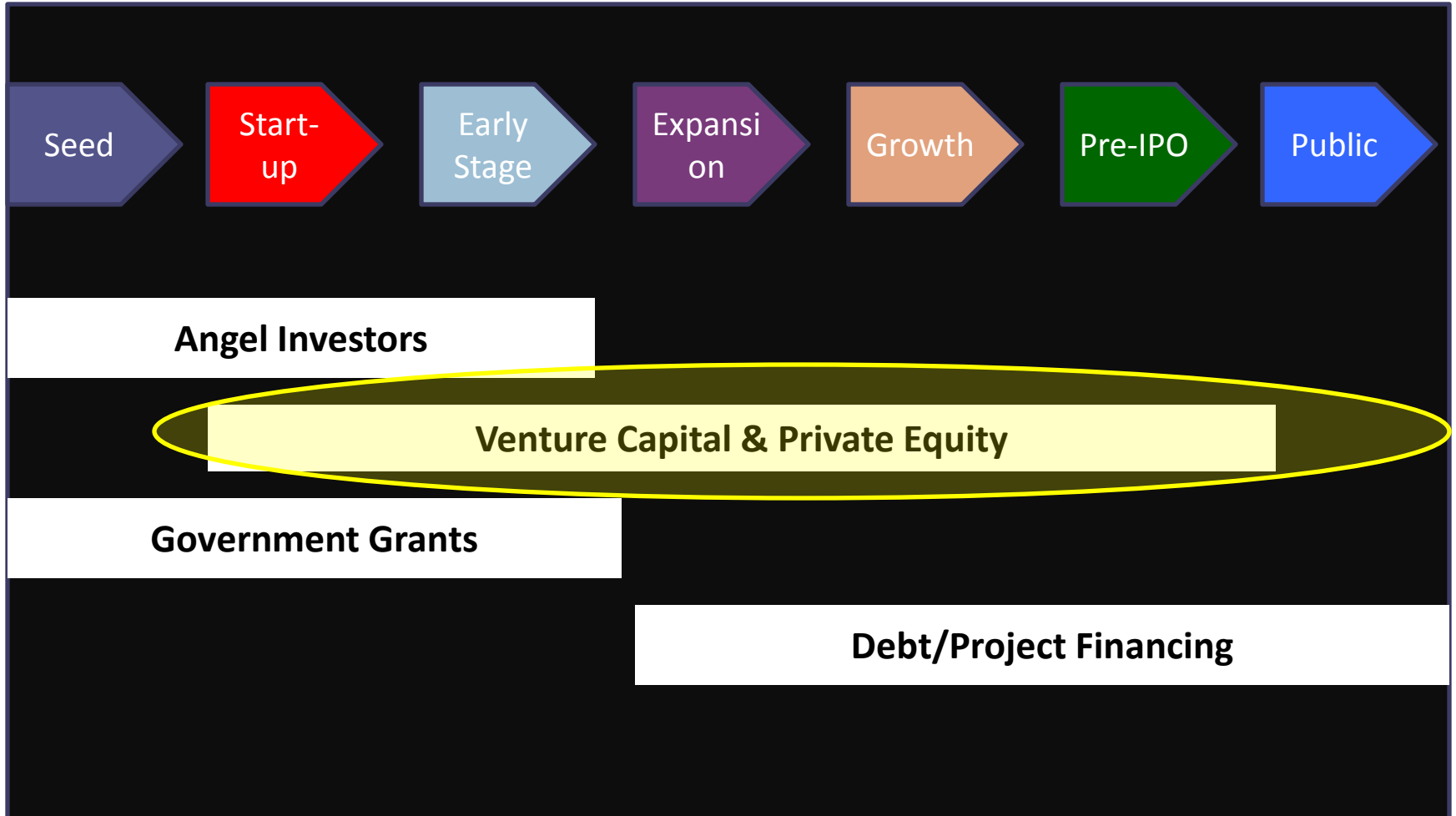
PART II: Brief Introduction to MAVCAP

- i. History
- ii. Strategic Role
- iii. Investment Offering
- iv. Investment Criteria
- v. Investment Process
- vi. Sample Portfolio Companies

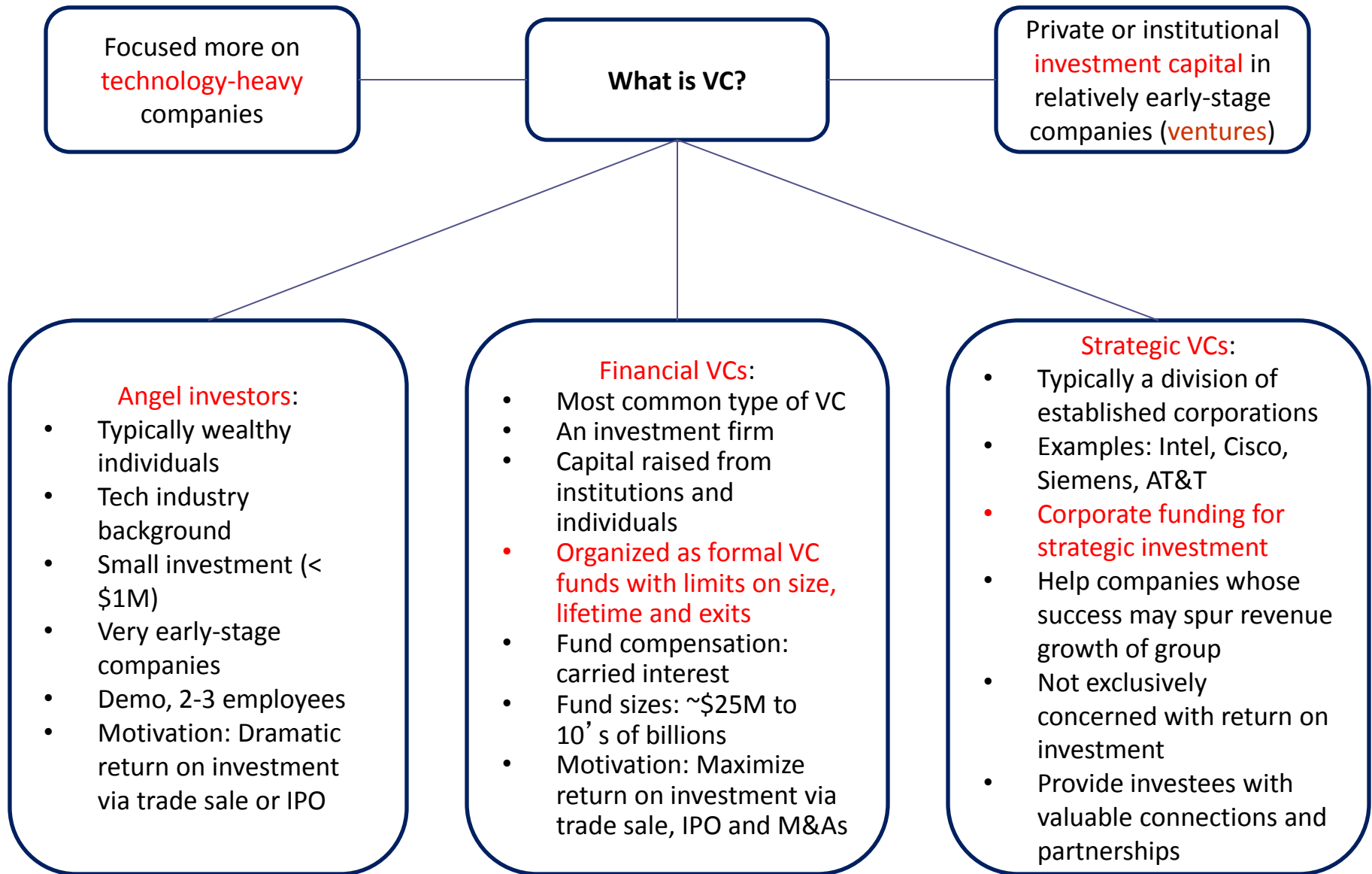
PART I

Brief Introduction to Venture Capital

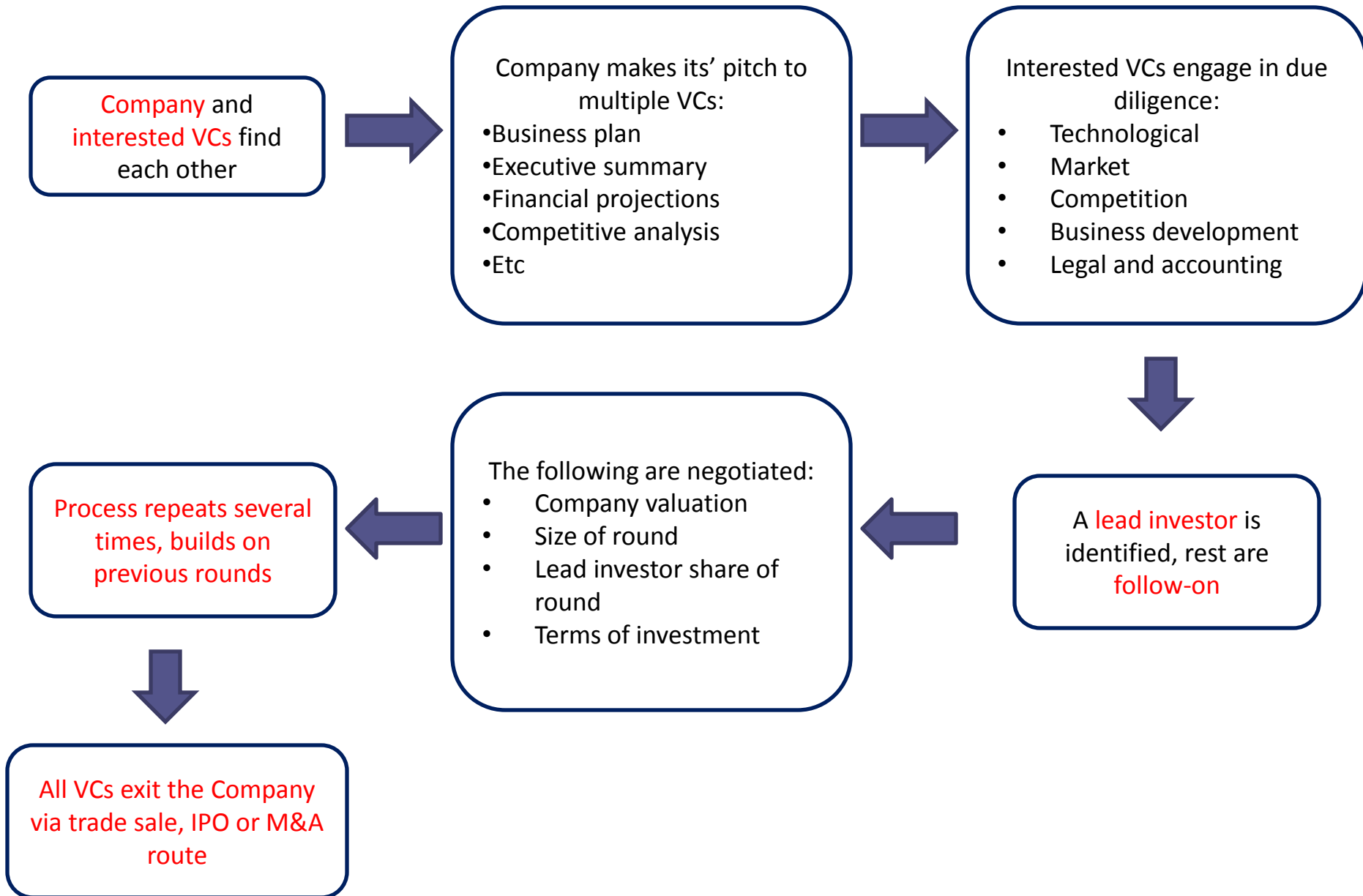
The Funding Spectrum



What is VC



How VC Works



PART II

Brief Introduction to MAVCAP

History

Background

- Incorporated in 2001
- Initial fund size RM500 mil
- Invested in >100 companies
- Direct Investment program
- Outsourced Partners program
- Asset under management ~RM970 mil

Objective

Spur the growth of the VC industry through active participation in entrepreneurship in the technology sector, and delivering commercially viable investments.

SNAPSHOT	TALENT
Investment personnel	17
Years of combined investment experience	~100 YEARS

SNAPSHOT	INDUSTRY
REGISTERED VC *	56
ACTIVE VC	25
MAVCAP - RELATED VC	12

Source: Securities Commission, MAVCAP

Strategic Role

Our Mandate

Provide risk capital to companies in the field of technology and high-growth sector;

Drive the development of the local venture capital industry

Our Programs

Direct Investment Program

Outsourcing Program

Our Targets

- Early and late stage companies with limited operating history.
- Technology companies that are too risky for the capital market/bank loan.
- Technology companies offering profitable opportunities.

- Increase the number of venture capital funds.
- Provide opportunities for the existing fund managers to strengthen their investment track record.
- Encourage private sector participation in the activities of venture capital fundraising.

Investment Offering

- MAVCAP invests directly via equity participation
- Via ordinary shares or convertible preference shares
- Start-up, early-stage and expansion stage
- Open to co-invest with other VCs and investors
- Period of three to eight years
- May hold Board position

Investment Criteria

(not exhaustive)

Scalable

High returns

Generated
traction

Huge markets

Technology-
driven

Malaysia-
oriented/related

Attractive
valuation

IP-protected

Strong
management

Investment Process

(not exhaustive)

Submission of Business Plan
or Executive Summary



**Prospect
Summary**

- Log Deal into VCMS
- 3-5 page internal report that summarizes the key investment points
- Require votes on VCMS to proceed to next stage

**Initial
Screening**

- 5-10 page internal report on key points of your business
- Promoter presents to members of IC & obtain their feedback on your business/market space
- Require higher no of votes on VCMS to proceed to next stage

**Due
Diligence**

- Legal DD
- Financial DD
- Technical DD
- Market DD
- Promoter DD

**Term
Sheet**

- Salient Investment Structure (O/S, RCPS, SHA)
- Investor Rights
- Milestone Drawdowns (Operations, Sales, Technical, Profit, etc.)
- Conditions Precedent
- Term Sheet sign off

**Investment
Committee
Meeting**

- Present on your behalf to our IC panel
- Unanimous votes required for investment to go through

**Legal
Negotiation**

- Translating the term sheet into Shareholders Agreement, Subscription Agreement, etc.

Disbursement

- Agreements signed
- CPs met
- 1st tranche disbursement takes place
- Become an investee company of Mavcap - value adding starts

Sample Portfolio Companies

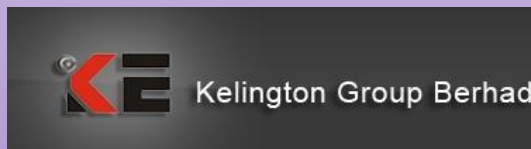


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Tranglo

vantage point
CONSULTING



THANK YOU

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