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MSS plans to create a private-led venture capital ecosystem, with the first master fund being raised by a private venture capitalist

The fund was launched four months after the policy was implemented in October 2023.

The investment in the first private venture capital master fund will be started from the end of March.

Sejong, March 12, 2024 – On February 29, the Ministry of SMEs and Startups (Minister OH Youngju) announced the establishment of the first private venture capital (VC) master fund. This happened just four months after the Venture Investment Promotion Act was amended in October 2023 to institutionalize private venture capital master funds. The private venture capital (VC) master fund is a fund of funds that invests in several venture capital feeder funds, which, in turn, invest in startups. This is a private-led fund and not affiliated with the government.

The HANA Super Gap Mutual Growth Fund is a privately led venture capital master fund. It was announced to be established on November 20, 2023. Hana Financial Group is the sole investor, and Hana Ventures manages it. The fund has a total capital of KRW 100 billion.

Hana Financial Group has announced its investment plan for its VC master fund. The group will invest about KRW 60 billion in VC funds that focus on startups. Additionally, the remaining KRW 40 billion will be allocated to direct investments, including follow-up and secondary investments in companies with venture capital investment funds.

The 2024 investment program will be announced at the end of March 2024. It is estimated to be valued at KRW 25 billion, including the Rookie League, which provides liquidity to small and medium-sized venture capital firms that have difficulty accessing funds. Investments of around KRW 18 billion are planned for both 2025 and 2026.

In November 2023, MSS and Korea Venture Investment Corp. (KVIC) signed the "KVIC-Hana Ventures MOU" to support the establishment of the first private-led VC master fund. KVIC, which has been managing fund of funds for 18 years, will continue to provide services such as evaluating investment projects and post-management of feeder funds.

Minister OH Youngju stated, "The first-ever private venture capital master fund's establishment marks the beginning of an era of complete private-led venture capital investment." She added, "MSS will provide full support to Hana Financial Group's first private venture capital master fund to make it a significant milestone in the industry."

The CEO of Hana Ventures, AHN Seunjong, said, "The HANA Super Gap Mutual Growth Fund is the first private venture capital master fund in Korea and demonstrates our commitment to investing heavily in Korean startups." Mr. AHN stated, "We aim to supply private capital to the venture capital investment market and help boost the market."