

X O N Δ

Introducing the Spin-in Model

Overview

- › The spin-in model address the challenge of **increasing revenues by developing new products or solutions** at lower risk than in-house development or acquisition
- › Spin-in **lowers the risk of failure** and **increases the probability of success** for new solution development
- › The spin-in model is used by major technology companies: **Xona optimized the model as a service**

What is The Spin-in Model

› Definition:

Incubating a new revenue generating technology business with the endorsement of a strategic partner

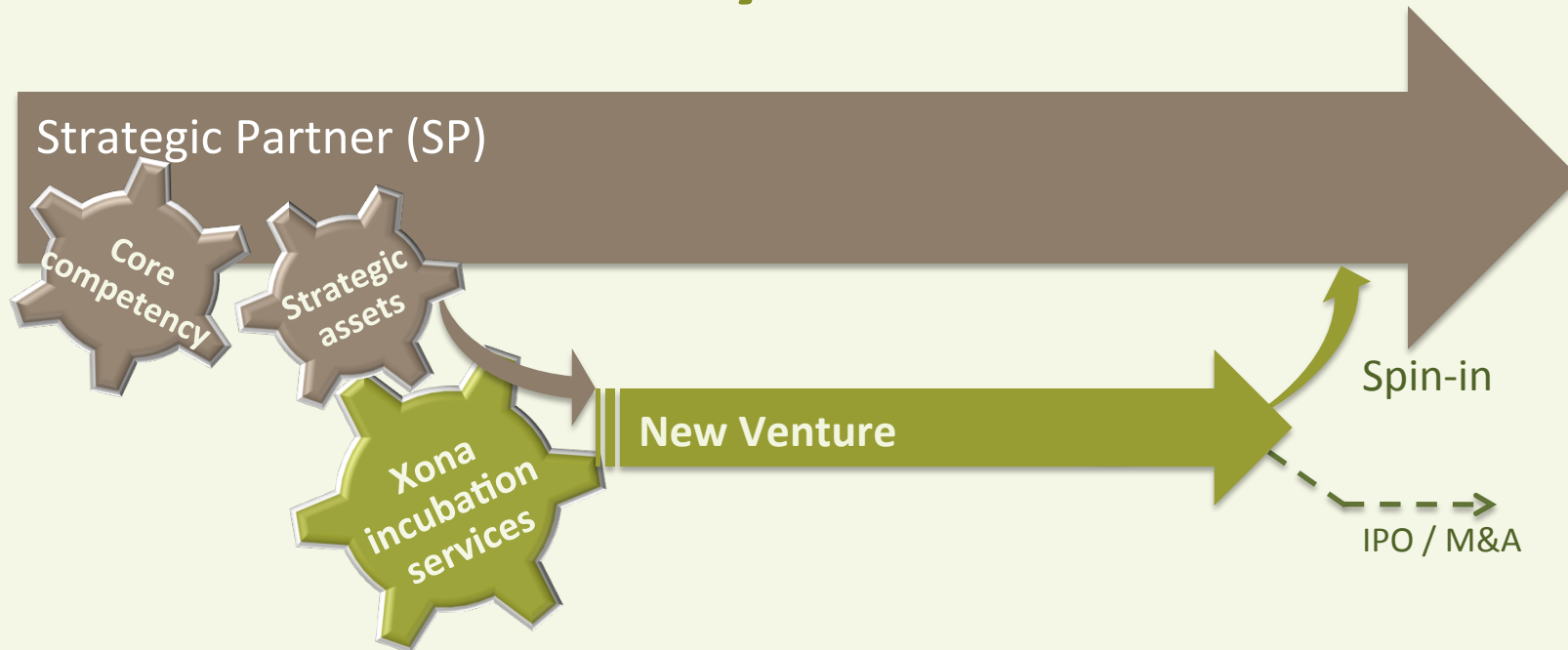
› Objective:

- Develop products/services for new markets at lower risk to partner than early stage new business, technology development or acquisition
- Integrate the spin-in entity into partner's operations based on milestones

Xona successfully optimized and validated and implemented the model*

*References available.

Spin-in as a Practice: Incubation Service By Xona Partners



Xona incubates a new startup – New Venture – by leveraging existing assets and competencies to generate revenue in adjacent markets or developing new products. Spin back into the Strategic Partner

Strategic Partner Revenue

New Venture Revenue

Share Risks and Returns Based on Gated Process of Defined Milestones

Value Proposition of Xona Spin-in Incubation Service

- › Provide an integrative approach to startup formation and execution
 - Predefined, proven services for every stage of venture lifecycle
 - Experienced startup leaders with both technology and business experience
- › Enable SP to engrain a culture of innovation
 - Integrate a startup and innovation attitude into existing business operations using Xona optimized models
 - Allow SP to replicate the model to further increase growth opportunity
- › Leverage lean startup approach while focusing on business operations
 - Accelerate decision making and improve execution to develop new products/services
 - Fail-fast and learn-quickly approach with limited risk exposure

Xona Incubation Services

T e l e c o m / I n t e r n e t

D a t a C e n t e r s / C l o u d M i g r a t i o n

D a t a S c i e n c e s

Preliminary
Assessment

Definition &
Validation

Development

Market
Testing

Launch

- Due diligence
- Market assessment
- Technology assessment
- Financial modeling
- Business case development
- Competitive positioning
- Technology roadmap audit
- Trend analysis & gap identification

- Solution / product definition & requirements
- Market positioning
- Vendor selection & evaluation
- RFP generation & management
- Product portfolio strategy
- Branding & pricing strategies

- Solution design
- Solution development
- Go-to-market strategy

- PoC validation
- Trial management
- Partner selection & validation

- Market acceleration

Why Xona Partners ?

- › Successful startup and M&A DNA
- › Understands startup cycles: management, stage of growth, transaction size and exit options
- › Hands-on operational expertise
- › Global technology leadership
- › Understanding of adjacent markets and disruptions
- › Spin-in model validated in various technology industries
- › Relationships with VCs, PEs and Corporate Development Teams
- › Bridge across industry silos for integrative solutions



XONA Partners

Jointly Moving Forward

Contact: advisors@xonapartners.com

Web: www.xonapartners.com

Partners & Advisors: www.xonapartners.com/about-us/team

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