

# Details of Co-Investment Programme

*[All figures are quoted in Singapore dollars]*

## 1. BACKGROUND

- 1.1. To develop a pipeline of Singapore-based globally competitive companies, the Government of Singapore has announced a Co-Investment Programme (“CIP”) in February 2010, which will catalyse patient growth capital of up to \$1.5b for Singapore-based enterprises through co-investing with the private sector.
- 1.2. Temasek Holdings, through a wholly-owned subsidiary known as Heliconia Capital Management Pte. Ltd., will manage Phase 1 of the CIP. For Phase 1, the Government will seed up to \$250m of capital, which is to be matched by a similar amount of private-sector capital, bringing the total to about \$500m.
- 1.3. Of this \$500m, we expect about \$200m or 40% to be channelled to growth-oriented small and medium-sized enterprises (“SMEs”) with annual revenues below \$100m.<sup>1</sup> The remaining amount will be channelled to larger companies with annual revenues between \$100m and \$500m.

## 2. PROGRAMME OBJECTIVES

- 2.1. The Programme aims to catalyse the supply of patient growth capital for growth-oriented SMEs based in Singapore, through co-investing with the private sector.
- 2.2. The Government, as co-investor, would rely principally on the private sector fund managers to assess investment worthiness, so as to avoid eroding commercial discipline in investment decisions.
- 2.3. Private equity fund managers (“Fund Managers”) with experience in SME investing and the ability and aspiration to grow Singapore-based SMEs into globally competitive companies are invited to submit a proposal.

## 3. QUALIFYING CRITERIA FOR INVESTEE COMPANIES

- 3.1. A qualifying investee company for Phase 1 of the CIP should meet the following criteria at the time of investment:
  - a) Global corporate headquarters be based in Singapore, i.e. Chief Executive Officer and at least three strategic decision-making functions<sup>2</sup> (please see [Table 1](#) for details) are based in Singapore; and
  - b) Annual revenues below \$500m.
- 3.2. If investee companies have subsidiaries or operations in other geographical markets, the management in these geographical markets must be ultimately answerable to the management based in Singapore. Exceptions are allowed only for matters requiring board or shareholder approval.
- 3.3. Foreign-based companies planning relocation to Singapore may also be considered. However, its global headquarters should be based in Singapore prior to disbursement of funds.
- 3.4. There is no restriction on the nationalities of the owners and key managers.

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<sup>1</sup> The Programme is targeted at later-stage companies and not start-ups.

<sup>2</sup> These members of top management must have final decision-making authority at the ultimate parent company level.

**Table 1: Strategic Decision-Making Functions\***

Business planning, management and control
Finance and treasury
Sales, marketing and brand management
Administration, HR management and legal
R&D and technology development
Supply chain management, procurement and distribution
Information technology

*\* Each investee company must have at least three of these strategic decision-making functions based in Singapore.*

**4. INVITATION FOR PROPOSAL**

Interested Private Equity Fund Managers are invited to submit a proposal to this email address: [enquiries@heliconiacapital.com](mailto:enquiries@heliconiacapital.com)