

Boosting Equity Financing for High-Growth Enterprises

Singapore, 17 September 2021 – Singapore announced a package of initiatives to support high-growth enterprises to raise capital in Singapore’s public equity market and broaden Singapore’s proposition as a financing hub.

2. Speaking at the Singapore Exchange’s Securities Market Open event today, Minister for Trade and Industry Gan Kim Yong will announce the following initiatives:

- a. Establishment of a co-investment fund named **Anchor Fund @ 65** that will help promising high-growth enterprises raise capital through public listings in Singapore;
- b. Establishment of the **Growth IPO Fund** that will help late-stage private enterprises at about two or more funding rounds away from a public listing to grow and prepare for an eventual public listing in Singapore;
- c. Enhancements to the **Grant for Equity Market Singapore (GEMS)** scheme to support enterprises seeking to list in Singapore, and to help develop Singapore’s equity research ecosystem; and
- d. Singapore Exchange’s **Strategic Partnership Model**, which will develop bespoke solutions ranging from private market fundraising to liquidity building and global investor outreach for high-growth companies.

3. The initiatives will enhance Singapore’s attractiveness as a destination for capital raising by local and regional enterprises. They build on recent initiatives undertaken by SGX to strengthen its platform, connectivity, and its range of fundraising options. These include dual-listing collaborations with overseas exchanges, and the launch of the Special Purpose Acquisition Companies (SPACs) framework.

4. Loh Boon Chye, Chief Executive Officer of SGX, said, “There are many Asian and home-grown companies which are at the cusp of global success. Anchored in Asia’s only AAA-rated economy, SGX provides an international platform, network and ecosystem for these companies to access growth capital from private to public markets and across asset classes. This interagency initiative further sets Singapore apart as a capital markets hub and is a first of its kind within the region that ensures success for market leaders through deep collaboration between public and private sectors.”

— End —

Annex A: Factsheet on the Initiatives

Annex B: Infographic on Grant for Equity Market Singapore (GEMS)

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About the Ministry of Trade and Industry

The Ministry of Trade and Industry seeks to promote economic growth and create jobs through the development of industry sectors and international trade interests. Our vision is to transform Singapore into a leading global city of enterprise and talent, and a vibrant nation of innovation and opportunity. Our strategies are derived from Singapore's general philosophy of economic management: strong adherence to a free market economic system and active pursuit of outward-oriented economic policies.

For more information, please visit <http://www.mti.gov.sg/>

About EDBI

Investing since 1991, EDBI is a Singapore-based global investor in select high growth technology sectors ranging from Information & Communication Technology (ICT), Emerging Technology (ET), Healthcare (HC) and promising Singapore SMEs in strategic industries. As a value-creating investor, EDBI assists companies achieve their ambitious goals by leveraging our broad network, resources and expertise. With our growth capital, EDBI supports companies seeking to grow in Asia and globally through Singapore.

For more information, please visit <http://www.edbi.com.>

About the Monetary Authority of Singapore

The Monetary Authority of Singapore (MAS) is Singapore's central bank and integrated financial regulator. As a central bank, MAS promotes sustained, non-inflationary economic growth through the conduct of monetary policy and close macroeconomic surveillance and analysis. It manages Singapore's exchange rate, official foreign reserves, and liquidity in the banking sector. As an integrated financial supervisor, MAS fosters a sound financial services sector through its prudential oversight of all financial institutions in Singapore – banks, insurers, capital market intermediaries, financial advisors and financial market infrastructure. It is also responsible for well-functioning financial markets, sound conduct, and investor education. MAS also works with the financial industry to promote Singapore as a dynamic international financial centre. It facilitates the development of infrastructure, adoption of technology, and upgrading of skills in the financial industry.

About Temasek

Temasek is a global investment company with a net portfolio value of S\$381 billion (US\$283b) as at 31 March 2021. Headquartered in Singapore, it has 13 offices in 9 countries around the world.

The Temasek Charter defines Temasek's three roles as an Investor, Institution and Steward, which shape its ethos to do well, do right, and do good. As a provider of catalytic capital, it seeks to enable solutions to key global challenges.

With sustainability at the core of all Temasek does, it actively seeks sustainable solutions to address present and future challenges, as it captures investible opportunities to bring about a sustainable future for all.

For more information on Temasek, please visit www.temasek.com.sg.

About Singapore Exchange

Singapore Exchange (SGX) is Asia's leading and trusted securities and derivatives market infrastructure, operating equity, fixed income, currency and commodity markets to the highest regulatory standards. It also operates a multi-asset sustainability platform, SGX FIRST or Future in Reshaping Sustainability Together (sgx.com/first).

SGX is committed to facilitating economic growth in a sustainable manner leveraging its roles as a key player in the ecosystem, a business, regulator and listed company. With climate action as a key priority, SGX aims to be a leading sustainable and transition financing and trading hub offering trusted, quality, end-to-end products and solutions.

As Asia's most international, multi-asset exchange, SGX provides listing, trading, clearing, settlement, depository and data services, with about 40% of listed companies and over 80% of listed bonds originating outside of Singapore. SGX is the world's most liquid international market for the benchmark equity indices of China, India, Japan and ASEAN. Headquartered in AAA-rated Singapore, SGX is globally recognised for its risk management and clearing capabilities. For more information, please visit www.sgx.com.

About 65 Equity Partners

65 Equity Partners is an independently managed wholly-owned investment platform of Temasek which focuses on providing equity and structured capital solutions to mid-sized companies in Singapore/ASEAN, Europe and the US. In Singapore, the strategy of 65 Equity Partners is to provide capital solutions to local enterprises with fundamentally sound businesses to help them expand regionally and/or transform strategically.

ANNEX A

FACTSHEET ON THE INITIATIVES

Anchor Fund @ 65

The Singapore Government and Temasek will establish a **new co-investment fund, named Anchor Fund @ 65, starting with S\$1.5 billion in the first tranche**. This fund will support promising high-growth enterprises and market leaders in their public fundraising in Singapore's public equity market, whether through primary, secondary, or dual listings, as well as provide pre-IPO financing to catalyse the growth of target enterprises and support them in their journey towards an eventual public listing.

The fund will be managed on a commercial basis by 65 Equity Partners, a wholly-owned investment platform of Temasek. In addition to anchoring the investee enterprises' public listings, the fund aims to drive good corporate governance and facilitate shareholder value creation.

Growth IPO Fund

EDBI, the dedicated investment arm of the Singapore Economic Development Board (EDB), invests in high-growth, globally competitive and innovative enterprises, typically at Series B or later, with the aim of anchoring key activities and competencies in Singapore to catalyse the growth of new economy sectors and build the foundations for our future economic pillars.

EDBI intends to establish a **new Growth IPO Fund** to invest in later-stage enterprises, typically at two or more funding rounds away from a public listing. Through this fund, EDBI will partner with companies to grow their operations in Singapore, and work towards an eventual public listing in Singapore. **Starting with a fund size of up to S\$500 million**, this fund will bridge the gap between EDBI's typical growth-stage investments and the investments of the Anchor Fund @ 65, strengthening end-to-end access to financing for companies in the Singapore ecosystem.

Enhanced Grant for Equity Markets Singapore (GEMS)

MAS' GEMS scheme, first introduced in February 2019, aims to strengthen Singapore's equity capital market through a Listing grant to help issuers defray some of their listing costs, a Research Talent Development grant to groom equity research talent through the co-funding of hiring expenses and enrich research coverage of Singapore-listed companies; as well as a Research Initiatives grant to support crowd-

sourced initiatives to propel the development of Singapore's equity research ecosystem.

MAS will enhance the **GEMS scheme** to expand the scope of support for the Listing grant and Research Talent Development grant:

- a. **Listing grant** – MAS will increase the co-funding of listing expenses for all companies. Companies with larger market capitalisation¹ will qualify for 70% co-funding of up to S\$2 million, while smaller companies will qualify for 70% co-funding of up to S\$1 million².
- b. **Research Talent Development grant** – MAS will increase the funding for experienced professionals to S\$6,000 per month, and the funding duration for experienced professionals who are Singapore citizen to two years³. MAS will also expand the scheme's parameters to include research providers that serve accredited and institutional investors, and broaden the scope of research coverage that allow applicants to qualify for the grant.

The enhancements to the GEMS scheme take immediate effect. More details on the GEMS grant scheme can be found in the infographic in **Annex B** and on [MAS' website](#).

SGX Strategic Partnership Model

Beyond providing a listing platform for IPOs, SGX will package bespoke capital market solutions to support the unique needs of high-growth companies. These multi-year solutions range from private fundraising, liquidity and profile building, to augmenting future growth drivers of companies:

- a. Prior to a listing, potential issuers can tap on SGX's partnerships and network to access private market capital and expand its base of strategic investors.
- b. With an enhanced liquidity provider programme comprising over 40 market makers and active traders, strategic partner companies are supported with continuous quotation. Up to 24 months of liquidity support will also be available to drive price formation for potential inclusion into global indices.
- c. Funded profiling initiatives such as joint marketing, targeted corporate events and global investor outreach will be customised for each strategic

¹ Defined as S\$1 billion or more.

² These new grant categories replace the original categories that capped co-funding at S\$200,000 to S\$1 million, depending on whether the listing belonged to "New Technology", "High Growth" or "Other Sectors".

³ This is an increase in funding quantum from S\$5,000 per month, and funding duration from one year.

partner company, alongside capacity building in sustainability and industry-specific decarbonisation advisory services.

For more details, please visit SGX's website at www.sgx.com/equitycapitalmarkets.

ANNEX B

INFOGRAPHIC ON GRANT FOR EQUITY MARKET SINGAPORE (GEMS)

Grant for Equity Market Singapore (GEMS)



Monetary Authority of Singapore

-  **Listing Grant – Defrays listing expenses for issuers seeking a Singapore listing**
-  **Research Talent Development Grant – Supports the development of local equity research analysts**
-  **Research Initiatives Grant - Supports initiatives to boost the development of Singapore's equity research ecosystem**

GEMS Listing Grant



Monetary Authority of Singapore

 Mainboard Listings (Concurrent fundraising)	 Mainboard Secondary Listings (Fundraising at later date)	 Catalist Listings
Qualifying issuances: Initial Public Offerings (IPOs) and Secondary Listings, including Special Purpose Acquisition Companies (SPACs) ¹ , Real Estate Investment Trusts (REITs) and Business Trusts (BTs), and Reverse Takeovers (RTOs) on the Singapore Exchange (SGX)	Qualifying issuances: IPOs, Secondary listings, RTOs on SGX	Qualifying issuances: IPOs, Secondary listings, RTOs on SGX
Eligible expenses: Underwriting, placement, sponsor fees, audit, legal, independent market research fees, SGX listing fees, intangible assets valuation and evaluation related expenses		
Fund up to 70% of eligible expenses up to the following ceilings: <ul style="list-style-type: none"> For companies with market capitalisation of S\$1 billion or more: S\$2 million For companies with market capitalisation of less than S\$1 billion: S\$1 million 	Fund up to 70% of eligible expenses for companies with market capitalisation of S\$1 billion or more; grant ceilings depend on when funds are raised: 	Fund up to 20% of eligible expenses <ul style="list-style-type: none"> No minimum market capitalisation requirements 20% of qualifying listing expenses, S\$300,000 grant ceiling

Scheme is valid till 31 December 2023. Interested applicants can write to fsdf@mas.gov.sg for more information. ¹SPACs will only qualify for a one-time claim upon listing and not at the stage of de-SPAC.

GEMS Research Talent Development Grant



Fresh Graduates



Experienced Professionals



Eligible applicants:

- Financial institutions, research houses with equity research capabilities, including those serving Accredited Investors and Institutional Investors, and hold a valid licence¹ to distribute research reports

Eligible expenses:

- Manpower costs including fixed basic salaries and fixed allowances, excluding bonuses, variable allowances, employer CPF
- If hire is not on a fixed salary; variable income including commission and remuneration per equity research report



Eligible hires (Singapore Citizens):

- Fresh graduates from polytechnic, university, or postgraduate programmes
- Less than 6 months equity research experience with less than 2 years overall work experience



Eligible hires (Singapore Citizens/Permanent Residents):

- More than 5 years of equity research experience
- Unemployed for 3 months or more; or retrenched



Funding:

- 70% of eligible salaries, subject to a grant cap of S\$4,200/month
- Covers 2 years of eligible salary expenses



Funding:

- 50% of eligible salaries, grant cap of S\$6,000/month
- Singapore Citizens: Covers 2 years of eligible salary expenses
- Singapore Permanent Residents: Covers 1 year of eligible salary expenses

Scheme is valid till 31 December 2023. Interested applicants can write to fsdf@mas.gov.sg for more information.
¹Such as a Financial Advisers Licence, or hold an Exempt Financial Adviser status.

GEMS Research Initiatives Grant



Supports initiatives that will catalyse public market activities in Singapore and boost the development of Singapore's equity research ecosystem

Projects would be given consideration if it demonstrates the potential to:

- Enhance primary market activity and/or increase secondary trading activity on Singapore's public equity market
- Lead to enhancement of the research industry's medium to long-term competitiveness or facilitate Singapore's financial industry to move into new or under-tapped areas of businesses
- Result in new innovative financial products or processes
- Develop technology or infrastructure necessary for the development of Singapore as an international financial centre
- Address best practices or international benchmark issues in areas such as compliance, regulations, policies, development or industry strategies, risk management and manpower



Please approach MAS to discuss your proposal

Scheme is valid till 31 December 2023. Interested applicants can write to fsdf@mas.gov.sg for more information.