



## **Tembusu Partners wins SVCA's "Best PE-Backed Exit"**

Tembusu Partners ("Tembusu" or the "Company") is proud to announce the award for "Best PE-Backed Exit" at the 2011 SVCA Gala Dinner and Awards Ceremony held on 29 September 2011 was won by the Company for its exit of its investment in Artivision Technologies Ltd in June 2011. Another of Tembusu's portfolio companies, Zeco Systems Pte Ltd (also known as Greenlots), was nominated as a finalist for "Most Innovative Cleantech Company" at the Awards.

Please see the attached article in the Business Times on 10 Oct 2011 regarding Tembusu's SVCA award.

Tembusu would like to thank the independent panel of judges for the awards as well as the Singapore Venture Capital Association for their continued support.

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## Tembusu wins SVCA 'Best Exit' award

### Private equity firm's investment in Artivision and partial exit pays off

By MICHELLE TAN

TEMBUSU Partners (Tembusu) recently clinched the "Best Exit" award for its investment in Artivision Technologies (Artivision) at the 2011 Singapore Venture Capital and Private Equity Association (SVCA) annual awards.

"We were pleasantly surprised as we thought there were many better companies or better funds out there," said the home-grown private equity investment firm's chairman, Andy Lim, when asked about the latest achievement.

Taking a quick flashback, Tembusu Growth Fund I invested in Artivision in 2007 but made a partial exit in June this year after selling 30.7 million shares. Currently, the fund still holds a 4.97 per cent stake in the technology firm.

When asked if there were any matters of concern regarding Artivision that triggered the sharp sell-down in June, Mr Lim said there was none and the key reason behind the move was that it was part of the fund's strategy to "recoup the investment" for its shareholders.

Elaborating on the rationale behind the paring down of Tembusu's stake in the Catalist-listed company, Mr Lim said: "We must sell-down to ensure that our investors are positive

in their carry. Then we ask ourselves if the company has got further potential. If we think it does, then we would leave behind a strategic stake."

However, with a string of losses to its name, Artivision's financial viability is starting to raise some eyebrows among the investment community.

Having said that, Mr Lim sees the scalability of Artivision's business as a big plus and continues to remain "very positive" on the prospects of the firm despite its weak financials.

"We have to give them

time. It's like Facebook – the first \$100 million took them 2-3 years and the next \$100 million took them only a few months. So (for Artivision) really building up the first million is going to take a while. But once they hit that \$1 million, the next million should be easy – and that's when the company reaches its final value," explained Mr Lim on why he continues to be bullish on the loss-making company.

Adding further weight to his take on Artivision, Mr Lim quipped: "As an individual, I might have done

it differently; if I'd put my own money in then, I might wait. But as a fund we need to be a little more disciplined."

Going forward, Mr Lim has guided that Tembusu's pipeline for the year remains "quite extensive", and he holds favourable views of sectors such as clean technology, education, healthcare and resources.

The investment firm is also slated to launch a real estate fund some time early next year as it holds the view that the local property market should stay "reasonably resilient" over the longer term.