

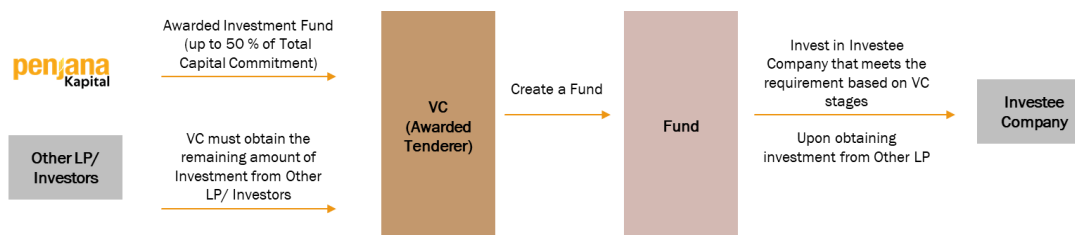
DANA PENJANA NASIONAL

REQUEST FOR PROPOSAL (RFP) FOR VENTURE CAPITAL FUND MANAGER

FREQUENTLY ASKED QUESTIONS (FAQ)

Role of Fund Manager and Capital Allocation

- 1) Is Penjana Kapital looking for a fund of funds manager or a venture capital firm to invest into start-ups?



Refer to the diagram above for clarity. Penjana Kapital is looking for venture capital firms to match & manage the Investment Fund and invest directly into Investee Companies.

- 2) How would Penjana Kapital allocate the RM600 million across the different stages?

The RM600 million committed by Penjana Kapital will be distributed across four (4) different lifecycle (Seed/Co-creation, Series A/B, Growth Stage, Venture Debt), across multiple GPs. Final allocations will be determined by Penjana Kapital at the later stage of the tender process.

- 3) How many fund managers are you looking to appoint for each stage?

Penjana Kapital will finalise the number of fund managers to be appointed, dependent on the incoming applications and the proposals.

Venture Capital Entry / Application Criteria

- 4) Is a local Venture Capital firm required to partner with a foreign party?

Local Applicants are not required to have a foreign partner, as long as they are able to show a proper track record and other relevant experience. However, they are still required to propose a knowledge transfer plan (e.g. value add to investees/ general public, etc.)

Foreign Applicants are required to partner a Local Firm and must have a knowledge transfer plan in place.

- 5) **Must the Total Investment Fund by Penjana Kapital be deployed and invested in Malaysia?**

Penjana Kapital's portion of the fund must be locally domiciled and invested into Malaysia/local companies.

Fund Parameters/ General Mandate

- 6) **Are the target sectors strictly limited to Agritech, Fintech and Healthcare, or is the fund manager able to propose other sectors?**

There is no limitation to the sector to be proposed (i.e. sector-agnostic), however there is a fund restriction from investing into alcohol, gambling, tobacco, and sex-related industries. The fund's primary mandate is on technology-based companies.

- 7) **Is the fund manager required to invest across the venture capital lifecycle, i.e. Seed/Co-creation, Series A/B, Growth, Venture debt, or can they focus on only one phase, for example, only Growth?**

The Applicant can apply to any/ all the different VC lifecycle (i.e. Seed/Co-creation, Series A/B, Growth Stage, Venture Debt).

- 8) **What is the expected fund life?**

The Applicant is expected to provide a proposal with a fund duration of within 5 to 10 years.

- 9) **Are there any limitations to the Fund's maximum exposure into a single investment?**

There will be a maximum concentration limit that Penjana Kapital will impose and this will be shared with shortlisted applicants.

- 10) **What is the economics structure, i.e. the allocation of management fee and carried share among the participating parties?**

Penjana Kapital will be guided by industry benchmarks, and further discussion will be performed with shortlisted applicants.

Investee Requirement / Deal Selection (i.e. Start-Ups)

- 11) **What is the definition of 'local companies' and 'others'? Is this based on shareholding, domicile or headquarter of the company?**

Local Companies - with significant Malaysian shareholding

Others - other Asian entities that can clearly demonstrate that it can bring tangible benefits to the Malaysian economy

12) How would the decision-making process work when it comes to deal selection? What would be the Investment Committee structure and the GP role in the investment process?

The applicant is allowed to propose a proper governance structure to facilitate the decision-making process, and management of the Investment Fund. However, Penjana Kapital will require one (1) seat in the Investment Committee for each Investment/ Deal.

RFP Selection Criteria & Submittal Information

13) What criteria will you utilise to select the fund managers?

Amongst criteria evaluated includes the below:

- Firm Background
- Track Record & Experience
- Investment Plan & Strategy
- Knowledge Transfer Plan

14) What is the information required for submission?

The applicant is required to submit their responses as below:

- Declaration of Mandatory Requirement
- Response to substantive scored question (using the Attachment_1_Questionnaire)
- Include any supplementary information (e.g. response that are not available in Attachment_1_Questionnaire)

All submission must be provided in the form of PDF and Excel compatible format.