

ADB partners with HK firm to assist Asian companies

HONG KONG, June 23 -- The Asian Development Bank (ADB) and Asian Debt Management (ADM) Capital have announced the completion of fund raising for a 138 million US dollar limited partnership fund that will help Asian companies.

That is the first tranche of an expected 500 million US dollar fund-raising to promote the recovery of financially distressed but potentially valuable companies in Asia.

ADB is the anchor investor in the ADM Maculus Fund, which will be managed by ADM Capital, a Hong Kong-based investment manager with extensive experience in managing Asian distressed debt.

ADB has made a commitment of 20 million US dollars to the fund. Six other major US and European institutions are among the other investors.

The fund will focus on the Chinese mainland, India and Southeast Asian markets.

"Companies will have the chance to regain their operational viability, sustain their economic contribution to their markets, and lessen the adverse impacts for stakeholders such as employees," said Robert Bestani, director general of ADB's Private Sector Operations Department.

He said, a minimum of 85 percent of the fund's portfolio will go to the Chinese mainland, India and Southeast Asian countries.

The fund's core objective aligns with ADB's strategy of promoting poverty reduction through job creation and preservation, infrastructure preservation and development, banking reform, and corporate governance, said Bestani.

Grace Tan, a director of the ADM Capital, said in an interview with Xinhua that the fund will invest in agricultural, energy, petro-chemical, communications and some other environmentally friendly projects that will advance the local sustainable economic development.

She said her company began to manage its first fund in 1998 and has helped invest in over 10 projects in the Chinese mainland in the past few years and all of the projects are witnessing sound development.

Established in 1966, the ADB has 63 members and in 2003 it approved loans amounting to 6.1 billion US dollars. ADM Capital is one of Asia's leading alternative investment managers with 1.1 billion US dollars under management.

