



FINANCING FOR A SUSTAINABLE FUTURE



## Who We Are | Our Values And Mission

- Bia UAE is an Abu Dhabi based investment vehicle, majority owned and operated by Bia Advisory, committed to providing sustainable development to the most vulnerable geographies worldwide, by mobilizing catalytic capital and driving impact investments.
- Bia UAE is an open-ended debt fund, and its business model is in line with most significant development financing institutions (DFIs), i.e. run on a proven model.
- We focus on sourcing commercially viable investment opportunities ranging from direct investments in companies, projects and funds that ensure a high level of impact creation for environment, local communities and the world's population. We do so by diversifying our investment appetite among renewable energy and energy efficiency projects, food value chain enhancement, i.e. Food waste reduction, gender financing, healthcare and other crucial infrastructure projects.
- We invest in opportunities which allow job creation, facilitate poverty reduction, create energy infrastructure and provide development in places where it is most needed.
- We value the environment in the same way we value people.
- Our mission is to create decent lives for those who did not have equal opportunities.

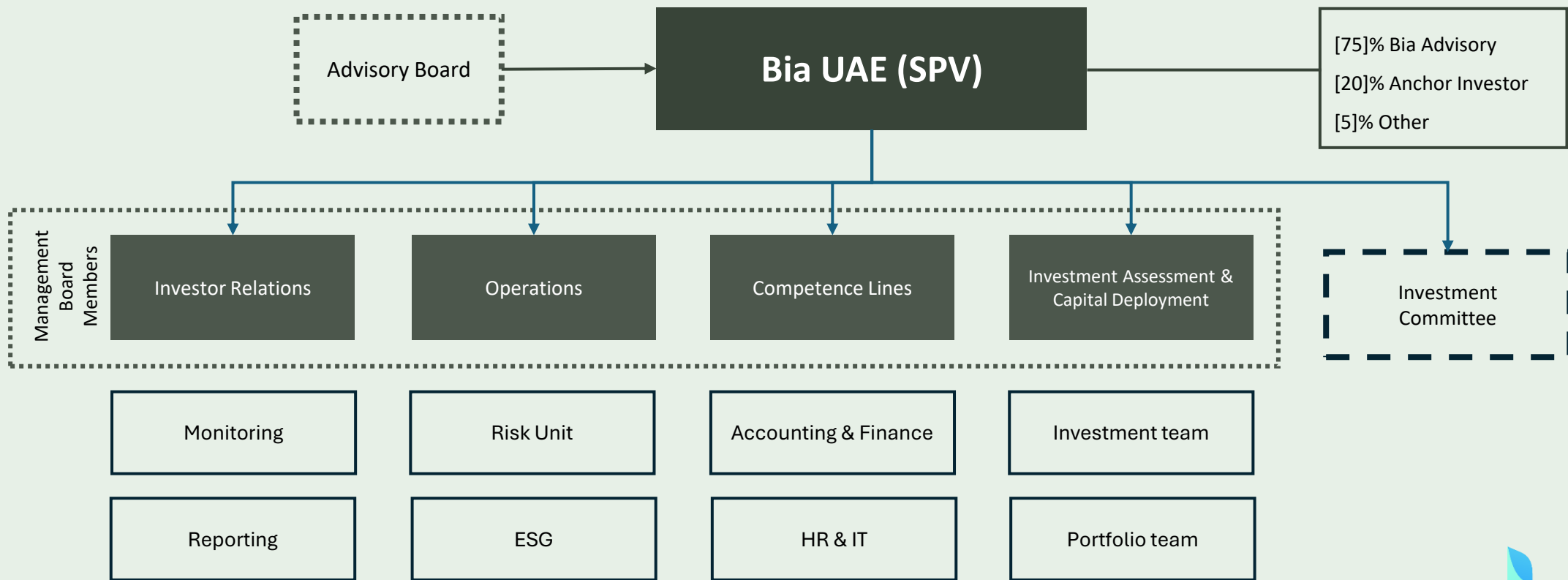
# Our USP

- Provide a best-in-class sustainability and developmental linked platform for investors, allowing them to maximise their social and environmental impact footprint on a global scale and enjoying the benefit of pre-agreed cash returns on allocated capital, backed by a pool of pre-agreed portfolio returns to Bia UAE by its investee companies.
- The business model is built on the basis of extensive experience in developmental finance of its key stakeholders, leveraging on their network and providing a robust pipeline of economically viable investment opportunities.
- Bia UAE uses a **private debt** fund-like structure (open-ended), which provides its investors with ongoing cash returns, different from most private equity funds, where the return is triggered via an M&A event or exit. This is possible due to the fact that Bia UAE will invest by means of debt instruments (providing loans) to investee companies, unlike private equity funds who buy-in to companies.
- However, Bia UAE can be classified as a hybrid investment vehicle, as on top of the loans provided to investee companies / projects, management will negotiate on a best-effort basis an additional equity stake in investee companies / project companies, to either:
  - mobilize additional funds from MBFIs/DFIs; or
  - utilise political leverage to deliver projects stuck in pipeline(s) due to unfavourable conditions (licenses, building permits, etc).→ hence Bia UAE presents an alternative to classic private equity or other fund structures.





# Who we are | Target structure

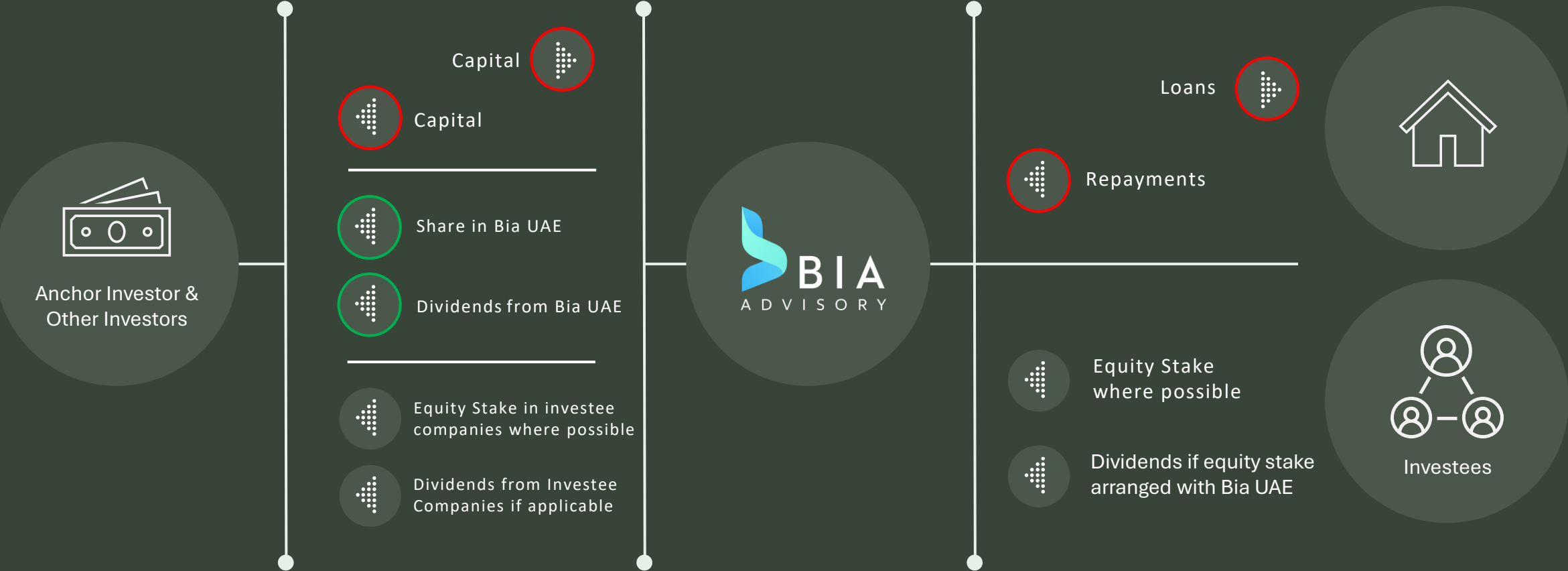


# Corporate Governance

	Appointed by	Key responsibilities	Members
Management Board	Majority vote of its members	Running daily business activities, oversight of different functions and decision making. Each BoD member to cover different business streams within Bia UAE (as per the previous slide).	Executive directors (heads of departments) plus potentially other non-executive (external) directors.
Advisory Board	Management Board	Support function to management in strategic decisions, such as defining risk appetites, setting sectoral and industry limits, but also acting as facilitators in fundraising and deal origination (external representation)	<b>External counterparts which would cover:</b> a) strong network with SFW, b) expertise in developmental finance, c) expertise in ESG, d) risk management know how.
Investment Board	Management Board	Decision making body on single-investment level, which operates based on suggestions and opinions of IACD*, Risk and ESG units, who provide their vote.	Head of Investment Board will be covered by the Head of IACD. Other members may be both internal and external experts.

\* IACD stands for Investment Assessment & Capital Deployment unit

# How We Do It | Basic Principle



# Investment Strategy | Assessment

- Assessment and structuring of transactions will be the responsibility of the Investment Assessment & Capital Deployment unit (IACD) of Bia UAE and in line with international standards, replicating the assessment processes and methods used in major financing institutions.
- ESG unit will act as support function to IACD, providing guidance and assuring highest international standards are met (e.g. IFC performance standards). Key role and responsibility will be to provide their advise to the Investment Committee (IC).
- Risk unit, allocated under Operations Department, will be responsible for assessing the transactions from a non-commercial perspective, providing support to the IACD and serve as the Advisory Body to the Investment Committee.
- Investment Committee will be composed of executives from Bia UAE and external parties which bring senior expertise from different financing institutions and with substantial experience in development finance. Currently we envisage a 2-step approval process of the IC (firstly, “clearance in principle” for the investment opportunity and second the final approval).





# Target Geographies | Eligibility Criteria

- Bia UAE will align its geographical investment perimeters to those followed by most developmental institutions, i.e. the OECD's Development Assistance Committee country list, however exceptions will be evaluated in alignment with the Investment Committee.
- Bia UAE would create a special window for areas hit by natural disasters and military activities, always in alignment with practices of most prominent impact investors, such as IFC/World Bank, EIB, DFC et al, and where possible leverage political risk protection which is offered for these types of investments, that in some cases will ultimately allow us to mobilize capital from other, more risk averse impact investors and development financing institutions.
- In Africa, Bia UAE would focus on providing electricity and other infrastructure in rural areas, secure funds for the food supply value chain, provide micro-credits to boost local employment and facilitate economic development, as well as assess different critical minerals projects that represent an important global security concern.





# Investment Strategy | Origination

- Bia UAE's strategy in terms of origination is to be observed in stages. Namely, the ultimate goal of Bia UAE is to originate at least 50% of transactions through its own capacities within 3 years of operation.
- For the initial 3 years of operation Bia UAE will secure strong partnerships with important advisory firms who specialize in debt raising for companies, projects and financing institutions in developing countries and emerging markets.
- Bia UAE will also leverage the network of its key stakeholders and secure transactions through DFIs and MBFIs (such as EBRD, EIB, IFC – World Bank's private sector financing arm), and thereby leverage their strong expertise and local presence in developing geographies.
- Bia UAE is going to engage (on a contract basis) and employ (on a permanent basis) experts with a strong background in the field of developmental finance at junior and senior levels, conforming with major institutions active in the field of finance. Key personnel is already identified and discussions are ongoing for different positions, while main stakeholders are already onboarded.

# Investment Strategy | Origination Partners

Source	Own capacities	Advisors	MBFIs/DFIs
Involvement	Bia UAE's internally generated capacities and network of its key shareholders, as well as internal Advisory Board members.	Bia UAE is partnering with important advisory firms with relevant development finance expertise and relevant networks, such as Delphos, Deloitte, etc.	Bia UAE will leverage the connections of its shareholders and internal Advisory Board in order to build partnership with important MBFIs and DFIs to source viable transactions.
Y1-Y3	40%	40%	20%
Y3-Y5	50%	20%	30%

# Investment Strategy | Pipeline Projects

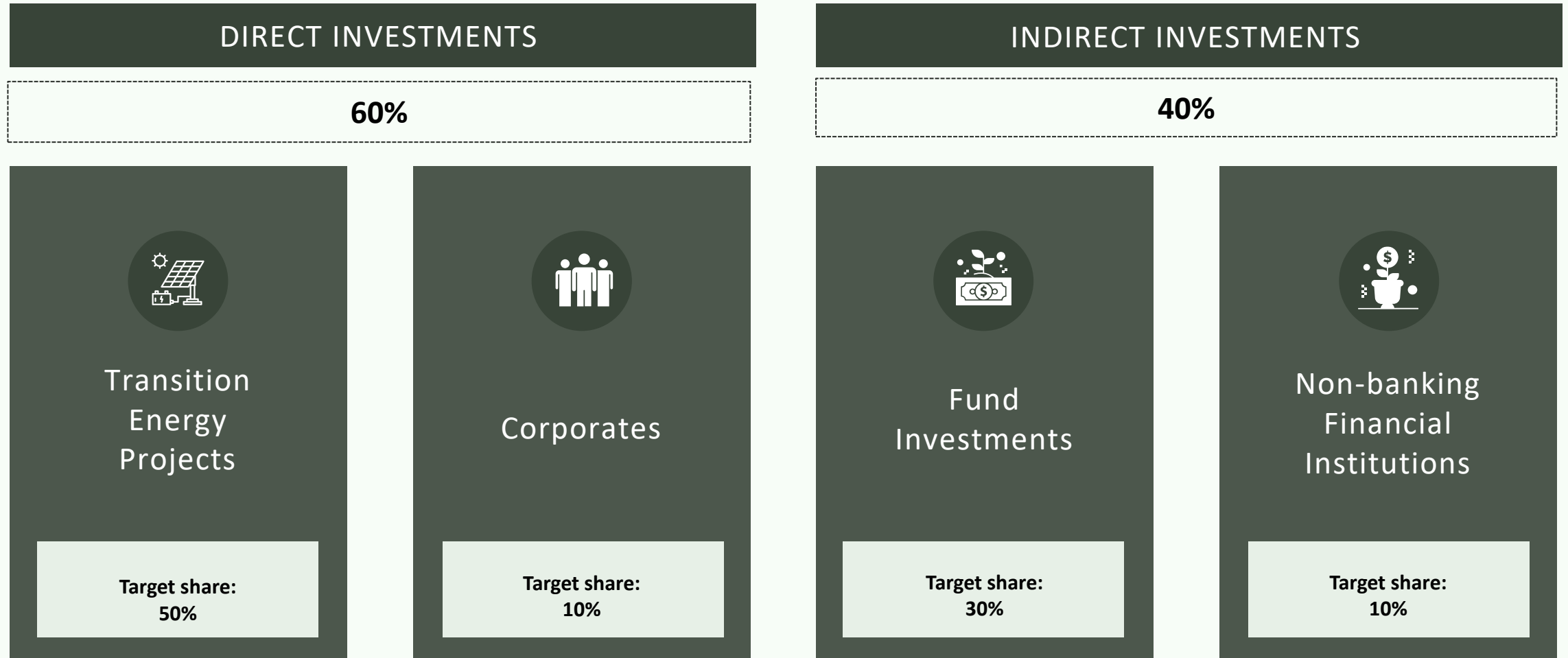
	Solar Power Plant	Food Value Chain Support	Commercial Bank SMEs Portfolio	Microfinance Institution	Waste Recycling
Purpose	Long-term financing for construction of a solar power plant with battery storage solution and agricultural plantation in Western Balkans.	Long-term loan to a group of enterprises (MSMEs) in the food value chain sector, focusing on food-loss reduction in Africa.	Long-term loan to a local West-African bank in support of its SME portfolio growth in the gender and green financing segments.	Long-term loan to a micro finance institute in South-East Asia with a focus on SMEs.	Long-term loan to a waste recycling company to extend its operations (CAPEX for machinery and buildings) in West Africa.
Ticket	EUR 120mn	USD 65mn	USD 100mn	USD 40mn	USD 80mn
Tenor	12Y (3Y grace period)	5Y (1Y grace period)	7Y (2Y grace period)	4Y (1Y grace period)	7Y (2Y grace period)
Pricing	425bps + 3M EURIBOR	550bps + 3M SOFR	500bps + 6M SOFR	550bps + 3M SOFR	550bps + 3M SOFR

# Investment Strategy | Pipeline Projects

	C&I	Wind Power Plant Portfolio	Microfinance Institution	ESCO asset	Telecom
Purpose	Long-term financing for extension of existing C&I portfolio of a local C&I specialized developer in central Asia.	Long-term loan to a reputable renewable energy developer (on holding level) for extension of its portfolio in the Caribbean.	4 year loan to a micro-finance institution in Africa with focus on 2X-challenge linked loans.	Long-term financing for portfolio extension of an energy-as-a-service provider for telecom towers in Africa.	Long-term loan to telecom infrastructure provider in rural areas across LATAM.
Ticket	EUR 75mn	EUR 120mn	USD 40mn	USD 80mn	USD 75mn
Tenor	7Y (1Y grace period)	15Y (3Y grace period)	4Y (1Y grace period)	7Y (2Y grace period)	10Y (3Y grace period)
Pricing	525bps + 3M EURIBOR	410bps + 3M SOFR	550bps + 6M SOFR	600bps + 3M SOFR	440bps + 3M SOFR



# Investment Strategy | Target portfolio mix



# Investment Strategy | Roles

- Bia UAE shall be eligible to invest bilaterally, i.e. provide loans to companies / project SPVs / BFI or NBFI institutions following a positive outcome of the assessment and final vote of the Investment Committee.
- Bia UAE will also be eligible to participate in syndicated facilities or parallel-loans alongside other investors (DFIs, MBFIs, Funds, etc.), arranged by third parties.
- Bia UAE shall also build its own capacities to arrange/structure and coordinate syndicates where other parties, such as DFIs, MBFIs, Funds, and other impact investors will join the syndicate run by Bia UAE.





## What We Offer To Our Anchor Investor

- Bia UAE offers a unique investment set-up which allows investors to multiply their impact footprint, by providing not only remuneration for the capital under pre-agreed target terms, but also allowing the anchor investor to profit from additional arrangements between Bia UAE and investee companies, such as equity stakes.
- Bia UAE offers the deployment of capital provided based on the assessments of long standing experts in development and impact investment around the world, hence allowing the anchor investor to generate impact in forms and untapped places which are distant to them.
- Anchor investor will receive the following:
  - Repayment of capital [in loan-like arrangements], backed by equity stakes in investee companies or projects (where applicable), giving the anchor investor long-term profit generation from source, i.e. where the capital is deployed.
  - Shares in Bia UAE.
  - Dividends from Bia UAE.
  - Dividends from Investee Companies / Projects (where agreed/case-by-case basis).
- Transparent reporting and possibility to oversee the work of the Investment Committee of Bia UAE.

# What we ask from our anchor investor

- Bia UAE aims to raise up to EUR 1bn (catalytic capital) from the anchor investor to be deployed over a period of 3 years, with a repayment holiday of 3 years, due to the nature of most renewable energy projects which take up to 36 months before reaching the operational stage (post construction).
- With the view to allow for smooth operations, encompassing project/investment origination, assessment and execution, we seek an additional c. EUR 10mn to cover Bia UAE's operational cost for the inception period of the impact investment vehicle.





# Possible Legal Form | Considerations

	Stage 1: Limited Liability Company	Stage 2: Fund (optional)
Advantages	<ul style="list-style-type: none"><li>• Easier to run / less reporting</li><li>• Cheaper to establish and run</li><li>• More flexible corporate governance</li><li>• More discretion for investors</li><li>• Option to arrange additional equity stake in investee companies more feasible</li></ul>	<ul style="list-style-type: none"><li>• Regulated</li><li>• Higher visibility, which can be attractive for other investors and important for the regulator</li></ul>
Disadvantages	<ul style="list-style-type: none"><li>• Not regulated, hence interesting to limited investors</li><li>• Potential liability of the CEO</li></ul>	<ul style="list-style-type: none"><li>• More expensive to establish</li><li>• Expensive running cost</li><li>• Potential involvement of external fund manager necessary, implying further costs and decrease in profits</li><li>• Heavy reporting</li><li>• Less discretion for investors</li><li>• Questionable option to regulate additional equity stakes in investee companies</li></ul>



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