Today’s Speakers

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Head of Investment Readiness

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Facilitator

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WE4F MENA Regional Innovation Hub

Introduction
What is WE4F?

WE4F is a joint international initiative of the German Federal Ministry for Economic Cooperation and Development (BMZ), the European Union, the Ministry of Foreign Affairs of the Government of the Netherlands, Sweden through the Swedish International Development Cooperation Agency (Sida), and the U.S. Agency for International Development (USAID).
ESGs and Climate Adaptation Influencing Innovation

The Water-Energy-Food Nexus Challenges & Opportunities

- 23% of total net greenhouse gas emissions are emitted by agriculture, forestry and other land use activities.
- 30% of global energy is used for food production.
- 1/3 of food produced for human consumption worldwide is lost or wasted.
- 2,000-5,000 liters of water are needed to produce a person's daily food.
- 70% of the world's freshwater resources is consumed by agriculture.

New technologies and innovations can help increase yields while using less energy and water, ensuring both sustainability and food security.

- **PRODUCTION & INPUTS**
  - Solar Powered Irrigation Systems
  - Hydroponic Systems
  - Soline-tolerant Vegetables Seeds

- **STORAGE & HANDLING**
  - Solar Cold Storage
  - Biogas Cold Storage

- **TRANSPORT**
  - Electric Trucks
  - Refrigeration truck with natural refrigerants
  - Hybrid Vehicles

- **PROCESSING**
  - Energy Efficiency Measures
  - Solar Agro-Processing
  - Solar Drying
  - Solar Mills
WE4F Innovators are benefitting from:

- Matching &/or milestones-based grants ranging between $25K and $300K per selected innovator
- Investment Readiness & Facilitation Support
- Technical Assistance, up to 3 TA per innovator
- Access to Networks
Locally Rooted Implementing Partners

Supporting entrepreneurs from MENA for MENA since 1992

5000+ Entrepreneurs Supported in MENA

150+ growth-stage WEF Enterprises in MENA

Extensive In-house TA & Investment expertise

Own staff & network in (almost) all targeted MENA countries
Selection of Investment—Ready WE4F MENA Innovators
Investment Readiness & Facilitation Support

Delivering investment-readiness workshops & webinars to innovators incl. but not limited to:
- Business model canvas,
- Financial analysis & unit cost economics,
- Financial modelling & cash flow forecast,
- Risk management,
- Performance management,
- Company valuation...

Setting appropriate governance foundations (board of directors, budget, SOPs, internal audit, delegation of authorities, leadership...)

Developing investment management strategy, investment memorandums, and valuation reports.

Structuring financing requirements and negotiating term sheets & finance documents.
Selected benefits to WE4F Investors & Lenders

Pool of scalable and investment-ready & credit-worthy enterprises in WE4F
The MENA RIH and the founding partners will be sourcing, screening and carefully selecting up to 50 innovators with high scale-up & social/financial value creation potential, from hundreds of applicants.

Reduced pre-investment costs
Access to best-in-class Due Diligence, Investment Memorandums, Financial Models, and Valuation models, prepared with the support of the MENA RIH Management.

Provision of de-risking mechanisms & targeted TA services
Facilitation of investments by providing de-risking mechanisms, including but not limited to milestones-based &/or matching grants, blended finance, first-loss cushions, credit guarantees, and TA Services.

Access to WE4F network and ecosystem
Becoming a WE4F financing partner, building relationships with all stakeholders, participating in events and in yearly demo day, and getting the opportunity to benefit from a TA or grant to develop innovative financing solutions for end-users.
Preferred deal size: On average, between $500,000 to $5 million

Preferred investment instrument: Equity, debt, convertible debt, blended finance capital, grants, first loss capital

Preferred capital type: WE4F innovators would prefer “patient capital”
# Round 1 Selection - Diverse Innovation Types

<table>
<thead>
<tr>
<th>Innovation Type</th>
<th>TA &amp; Grant 14 Innovators</th>
<th>TA Only 2 Innovators</th>
<th>Total 16 Innovators</th>
</tr>
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<tbody>
<tr>
<td>Energy Production and Infrastructure in Agriculture</td>
<td>• IRSC</td>
<td>• Spark Renewables</td>
<td>3</td>
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<tr>
<td></td>
<td>• Green Essence</td>
<td></td>
<td></td>
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<tr>
<td>Water - Irrigation</td>
<td>• Shaduf</td>
<td></td>
<td>2</td>
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<td></td>
<td>• Robinson-Agri</td>
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<td></td>
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<tr>
<td>Water - Quality / Salinity</td>
<td></td>
<td>• Alvatech</td>
<td>1</td>
</tr>
<tr>
<td>Digital Solutions</td>
<td>• SOWIT</td>
<td></td>
<td>3</td>
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<tr>
<td></td>
<td>• CognitiveX</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>• Abu Erdan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compost / Organic Fertilizers</td>
<td>• Compost Baladi</td>
<td></td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>• Baramoda</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>• Chitosan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water-Reuse in Agriculture</td>
<td>• SuWaCo</td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>Other</td>
<td>• Biomass</td>
<td></td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>• Go Baladi</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• High Atlas Foundation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Grant Amount</td>
<td>$2.38 Million Grant / TA Budget TBD</td>
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Lebanon Portfolio - 5 Innovators

Produces, packages, and distributes organic products to consumers, retailers, wholesalers, importers, processors, restaurants, and caterers. They currently operate smallholder lands as well as their own, and plans to expand production to export their produce.

Provides optimized irrigation systems for the Lebanese farming community, on top of agricultural advisory services, green house solutions, certified hybrid seeds with guaranteed crop yield. Plans to pilot in-house end-user financing solutions to smallholders, for the purpose and building on it with partners.

Produces and distributes compost, manufactures and supplies compost production equipment, as well as provides facility design, construction and operation consultancy and services. Operates in Lebanon and is planning to expand to Jordan.

Provides conventional organic goat dairy products through physical and online retailers in Lebanon, and relies on the local goat breed, by purchasing milk from shepherds in Lebanese mountains. Plans to expand their production capacity and mix, as well as their facility’s Solar PV generation capacity.

Provides Solar PV solutions in Lebanon, including pumps for irrigation. Plans to include alternative payment schemes to farmers to facilitate the adoption of solar energy for food producers by replacing the initial cost with monthly or seasonal installments.
Case Example: Biomass, Lebanon

Biomass SAL is a grower, producer, processor, distributor, and exporter of organic certified food products. Located in Lebanon, the company is a fully integrated farming operator working with partners across the agri-food sector value chain and with presence in export markets, notably the Levant and the GCC.

**Date Founded:** 2007

**Sector of operation:** Organic Agriculture, Agri-Food sector, Import & Export, Distribution

**ESG**
- End-Users: 43,926
- % of women in workforce: 35

**Investment Needs/ Use of Funds**

<table>
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<tr>
<th>Investment Needed (USD)</th>
<th>Use of Funds</th>
<th>Estimated Timing</th>
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<tbody>
<tr>
<td>650,000</td>
<td>OPEX: ERP System, Farming System, New Hires</td>
<td>2021-2022</td>
</tr>
<tr>
<td>1,500,000</td>
<td>WC: Grocery Products Stock, Animal Feed, Agriculture Seeds, Receivables Export Markets ...</td>
<td>2021-2022</td>
</tr>
<tr>
<td>750,000</td>
<td>CAPEX : Greenhouses, Irrigation Equipment, Tractors, Crates, Solar Pumps, Mobile Refrigeration Units, ...</td>
<td>2021-2022</td>
</tr>
<tr>
<td>1,350,000</td>
<td>CAPEX : Grading, sorting, packaging, machines, trucks, ...</td>
<td>2021-2022</td>
</tr>
<tr>
<td>750,000</td>
<td>Debt Restructuring</td>
<td>2021-2022</td>
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**Total: $5,000,000**

**Country(ies) of operation:** Lebanon with export to GCC, West-Africa and soon to the UK & Europe

**Total current revenues:** $3.9M (audited 2020)

**Balance Sheet Highlights**

<table>
<thead>
<tr>
<th></th>
<th>Cash 386,873</th>
<th>Payables 650,256</th>
</tr>
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<tbody>
<tr>
<td>Inventory</td>
<td>215,000</td>
<td>Banks Borrowings 1,900,658</td>
</tr>
<tr>
<td>Receivables</td>
<td>846,238</td>
<td>Other Liabilities 92,452</td>
</tr>
<tr>
<td>Fixed Assets</td>
<td>2,152,111</td>
<td>Equity + Shareholders 956,856</td>
</tr>
<tr>
<td>Total Assets</td>
<td>3,600,222</td>
<td>Total Liab. &amp; Equity 3,600,222</td>
</tr>
</tbody>
</table>

**Company’s Projections**

- **2021-2024 Revenues ($000)**
  - 2021: $3'903
  - 2022: $4'750
  - 2023: $7'750
  - 2024: $12'000

- **CAGR:** 15.8%

- **Equity + Shareholders:**
  - 2021: $94
  - 2022: $473
  - 2023: $1'021
  - 2024: $$
Egypt Portfolio - 8 Innovators

Provides small, decentralized "farm-in-a-box" " mini-greenhouse" hydroponic farming systems to low-medium income households, large corporations, hotels, and other commercial facilities in Egypt. Plans to expand into adjacent markets with similar sunny moderate climates.

Formulates and distributes organic pesticides and fungicides from shrimp shell extractions to substitute conventional (mostly imported) chemical pesticides and fungicides used in agriculture production. Aims to launch 3 new products to several gapping demands of customers and expand distribution to other countries.

SuWaCo, a joint venture with Lebanon’s IGT, provides cost efficient wastewater treatment and reuse systems to small rural farmers. Plans to expand into a new district every 18 months. The first 6 months are a preparatory phase for the targeted district before transitioning into full-scale operations.

Designs, develops and deploys Artificial Intelligence (AI)-powered software for participants across the poultry value chain (broilers, breeders, hatcheries, slaughterhouses, etc.) with a focus on small and medium farms as well as large poultry integrators in Egypt. Plans to expand to Morocco and potentially Jordan through outreach to poultry consultants in targeted countries.

Produces and distributes organic compost from sugar and other agriculture/agri-industry waste in Egypt. Plans to expand processing capacity as well as introduce new products derived from agri-waste and animal manure.
Develops and deploys technologies like Internet of Things, Artificial Intelligence, and satellite imagery to farmers in Egypt mainly to promote precision agriculture. Plans to expand on-ground operations to access farmers in Egypt and expand to other countries.

Provides micro-electricity network (Nano-grid) provided for small farms in remote places in Egypt to supply the electrical loads required, as well as a whole range of Solar PV applications. Invests in developing locally innovative inverters IP54 enclosures, charge pumps and other loads to farmers, and apply for IP Protection and ECM certificate.

Is an EPC providing Solar PV Pumping solutions and innovative financing mechanisms" for "small to medium scale solar solutions; plans to include "cash to solar lease, EPC + Finance, Power Purchase Agreement (PPA)" and creating "revolving funds to overcome high capital costs of the solution."
Leverages AI, agronomy and remote-sensing to empower farmers with farm-adapted plot-level precise insights, that optimize their most critical operations and sustainably intensify their yields. Currently operates in Morocco and Tunisia. Plans to further expand on-ground operations to access farmers.

Sell saplings and fruit trees at a subsidized price to smallholders in Morocco, following the offering of globally competitive and voluntary certifiable credit offsets to organizations looking to reduce their environmental impact. The revenue from carbon credit sales is invested into the planting of native trees species that optimally sequester carbon in nurseries that are run by local organizations. Plans to deploy and manage several nurseries and plant 5 million seeds in the next 3 years.

Provides a solar-powered water treatment technology that mitigates water and soil salinization for farms, hydroponics, and greenhouses. Also provides onsite training for farmers, demonstrations for case studies and research, and end user financing via a subscription service. Plans to expand to Jordan and thereafter to other MENA countries.
Expression of Interest of Investors

Process
1. Identify potential investment partners for the MENA region

2. Onboard interested investment partners as per their regional focus

3. Identify innovative investment approaches to catalyse commercial investments

4. Identify investment partners who aim to integrate thematic areas like gender mainstreaming, BoP impact, and environmental sustainability
Next Steps

• Proceed with delivering milestones-based grants, investment readiness and technical assistance services to our current batch of innovators (16 companies)

• Iraq Call for Innovations (CfI) was launched on September 8\textsuperscript{th}, 2021; $1.2 million will be available to support around 10 innovators. The program tenor will be 12 months.

• Regional Call for Innovations (CfI) II for MENA is expected to be launched by mid-October 2021.
Register your interest in getting onboarded as an investment partner and get your questions answered by contacting the investment readiness team:

**Sabine Saliba, Investment Manager:** sabine.saliba@berytech.org

For general information and queries about the program, the team, and the selected innovators, please contact:

**we4f@berytech.org**
THANK YOU

MENA RIH Team

we4f.org
QUESTIONS