Impact For Africa S.p.A.

To the Shareholders of Impact For Africa S.p.A.,

"A theory that is good in theory but not in practice is not a good theory"
Marco Coltro

A portfolio concentrated on Western assets in theory generates high returns with very low risk.

Unprecedented or unexpected crisis, such as climate change, the pandemic, the war in Ukraine, increasing deglobalization with huge government spending and wealth disparity clarifies, cuts through and captures the essence of the evolutionary spirit (far more than *"greed"*).

The investment community has eventually realized that the western world is not "risk free". The fundamental shifts in geopolitical powers are moving Africa into the spotlight.

At IFA we are committed to invest into initiatives in frontier markets which will bring significant financial returns throughout the cycle. The selected investments will also contribute to the sustainable development of these economies in accordance with the local governments' strategic guidelines.

Luca and Emmanuel, IFA's co-founders, with heartfelt gratitude towards their angel investors, will commit all their professional and personal life to develop IFA into a fundamental player in Africa.

Sincerely,

Luca Coltro

Emmanuel el-Khoury

Introducing IFA

Impact For Africa S.p.A. (IFA) is an impact investment company targeting Rwanda and Namibia and focusing on value chain initiatives with social and climate impact.
IFA's Managing Directors have 2 decades of experience in these geographies.
Incorporated in Q2 2022, IFA has kickstarted its first initiative in Rwanda with OneAcreFund and its second initiative in Namibia with the World Food Programme.

Investment Strategy

IFA focuses on frontier markets neglected by mainstream finance and on undeveloped value-chains and value-chains bottlenecks.

IFA targets diversified sectors to optimize the **Risk Mitigation Strategy** and to reach full impact potential in each country.

IFA leverages on its local and global networks of partners (e.g. OneAcreFund - largest NGO in Rwanda and World Food Programms – United Nations); GIZ (German development Agency)

Risk Mitigation Strategy

Political	Namibia and Rwanda are politically stable with very low corruption index
Foreign Exchange	Self-hedged portfolio with 50% of proceeds in hard currencies
Market	Clear offtakers and/or strongly mitigated market risks
Exit	Established relationships with private and public secondary market funds

Financial Terms

Target Size	€ 10M (raising in multiple tranches is allowed)
Tenure	Investment period = 4 years; divestment period = 3 years
Hurdle Rate	1st Hurdle Rate: 7%; 2nd Hurdle Rate: 24% (denominated in Euro)
Carried Interest	Step-function with GP full catch-up: 1st Carried Interest: 20%; 2nd Carried Interest: 30%
Mgmt. Fee	2% yearly of total commitments (invest. period) / 2% yearly of NAV (divest. period)

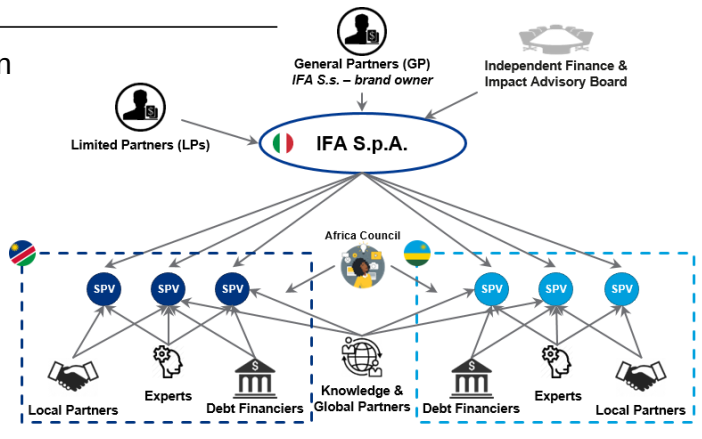
Impact Targets

Economic Growth	€ 125M
Gender Equality	Balance between gender
Employment	500 contracts
Education	10% of labor costs
Sanitation	25bn liters of water
Carbon Mitigation	CO2 250k MT
Carbon Capture	CO2 15k MT
Biodiversity	Net positive increase
Soil Remediation	1,000 Hectare

Corporate Structure

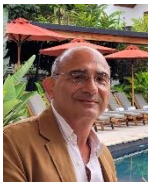
Impact For Africa S.p.A. is a joint stock company incorporated in Italy in Q2 '22. The company, because of its structure, benefits from low running costs and a favorable fiscal regime ("PEX") despite being in a highly regulated market that complies with Impact Investors requirements.

The financial targets for the investors are Euro-based and all the project companies in Rwanda and Namibia are directly capitalized by IFA. Financial leverage is mainly applied at project companies level but in specific cases also at IFA level.



IFA
Impact For Africa S.p.A.

Team



Luca Coltro

- Luca has been operating **in Namibia** for more than a decade where he developed one of the first large scale **solar plants (exit to secondary market fund MOIC 4.2x)** and is currently **constructing low-income housing (~1,000 units project duration of ~15 years)**
- Previously Luca has launched one of the first infrastructure funds in Italy and has worked for Bain & Company in the US and Italy. Luca holds an **MBA (Finance) from Wharton**

Projects executed in Namibia

Emmanuel el-Khoury

- Emmanuel co-founded an **eco-sustainable real-estate development in Rwanda (rental yield >24%, eligible to World Bank credit scheme).** He is also the co-founder of GENEAH, an NGO focused on environment, arts and health in Lebanon and Rwanda
- Previously Emmanuel worked at Exor in the investments team where he led ESG activities. He also founded an IT-security startup, holds an **MBA from Collège des Ingénieurs** and is an engineer from TUM

Projects executed in Rwanda

Independent Advisory Board

Sofia Bianchi:
35+ years of transaction experience in emerging and frontier markets

Veronica Kalema:
Leading expert on sovereign risk for Africa with 30+ years of experience

Andrea Ruckstuhl:
Head of Continental Europe at LendLease (global real-estate dev. pipeline > $100bn)

Matteo Scolari:
Responsible for financial investment at Exor (NAV $30bn)

Partners & Experts

IFA has signed up 30+ Global and Local Experts in various sectors

IFA's 1st Investment in Rwanda – Avocado Oil Processing

IFA is establishing with its partners the first industrial production of avocado oil in Rwanda which will process more than 10 M kg of Avocados per year.

Partnership

- Smallholders Resilience Fund (SRF), the investment arm of OneAcreFund - the largest NGO in Rwanda, which supports 750,000 smallholders and distributes 350,000 avocado trees per year - is involved in the initiative as a minority shareholder alongside IFA.

Financial Projections

- **IRR expected >25% and 4x MOIC** with Exit at year 6
- Investment payback period est. at year 3

IFA's 1st Investment in Namibia – Resilient Agriculture

IFA signed a partnership with the **World Food Programms (WFP)** that will start with a pilot (size: 160 ha) project of agriculture in conjunction with the **Mariental Correctional Center**.

Long-term stable offtake

Sustainable food waste reduction

Monetization of native species

Climate Resilience

Disclaimer: This document is confidential and its contents may not be shown, copied, transmitted, or otherwise given to any person other than the authorized recipient without the prior written consent of Impact For Africa S.p.A. This document is provided for information and discussion purposes only. It is not a solicitation or an offer to buy or sell any security or other financial instrument. Any information including facts, opinions or quotations, may be condensed or summarized and is expressed as of the date of writing. When investing in private equity past performance does not guarantee future results and potentially include a loss of money. The information may change without notice and Impact For Africa S.p.A. is under no obligation to ensure that such updates are brought to your attention.

IFA c/o SCGT, Corso Duca degli Abruzzi, 3 10128 - Torino, Italy
Luca Coltro – *luca@impact4africa.com* +33 (0) 603 057 850
Emmanuel el-Khoury – *emmanuel@impact4africa.com* +49 (0) 176 811 27 030