



# Proparco in North and South East Asia

*Investing in a Sustainable Future*

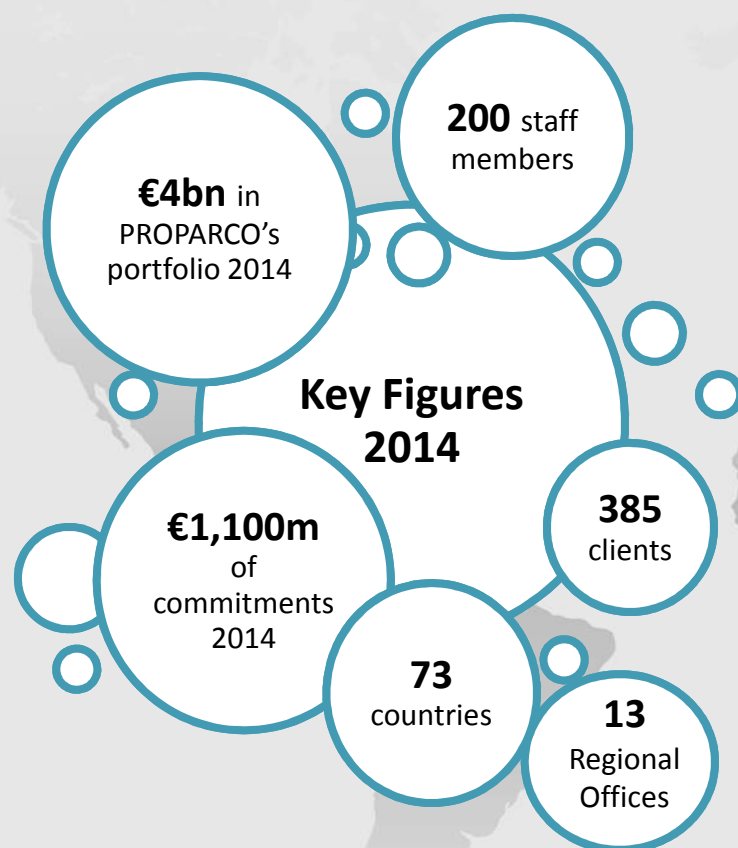
2015



Investing in a Sustainable Future

# 01 PROPARCO AT A GLANCE

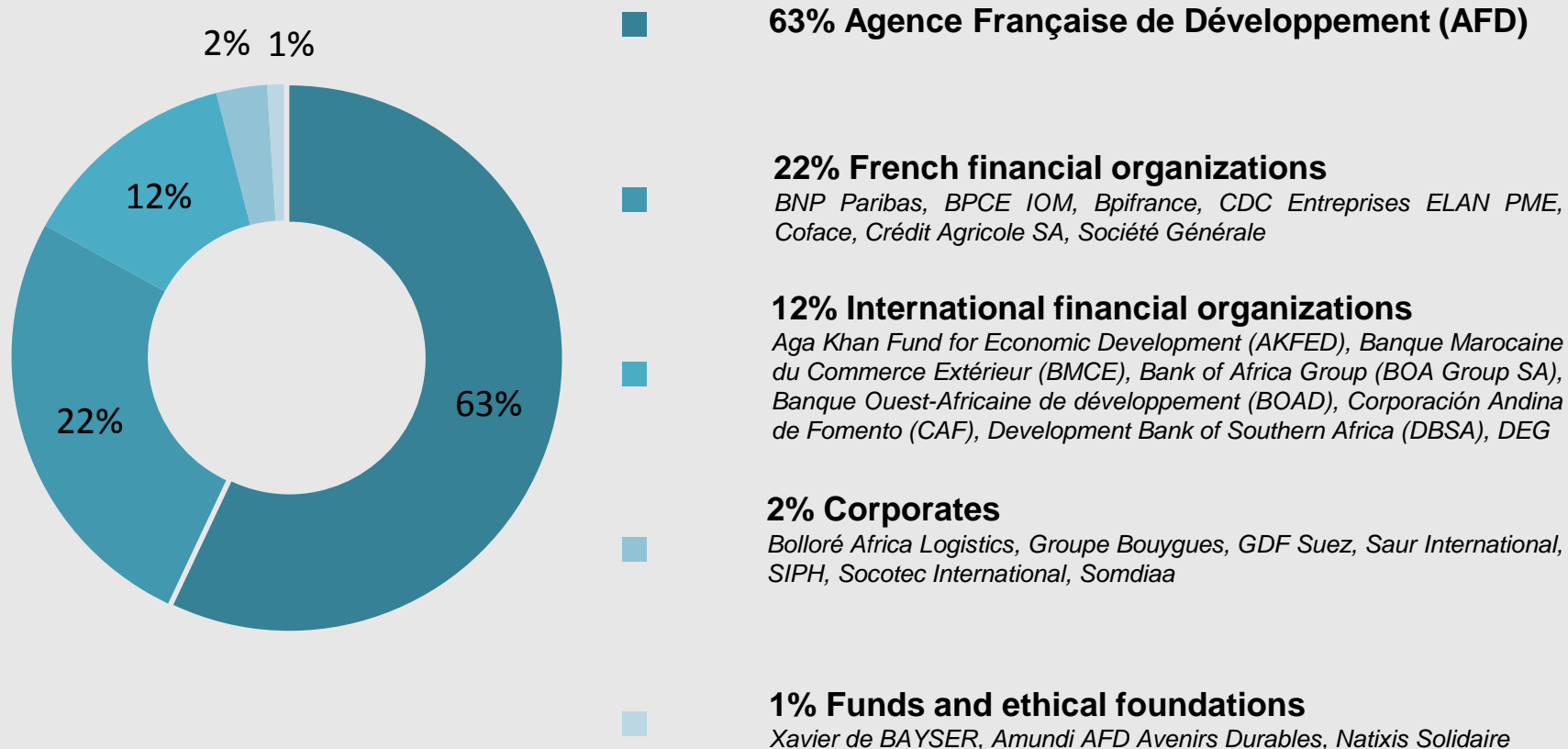
Created in 1977, PROPARCO is a **development finance institution** dedicated to financing the private sector.



- A subsidiary of the **Agence Française de Développement**.
- A unique **mode of governance North/South and private/public**.
- A **development mission** combined with private sector profitability.
- A **full and customized range** of financial tools – equity and quasi-equity, loans and guarantees, to supplement the activity of commercial banks.
- An **international presence** on 4 continents and more than 70 countries.
- A high level of **environmental and social** requirements.
- A **catalyst action**, attracting and mobilizing additional public and private sector funding for its clients' projects.

## 02 A NORTH/SOUTH INVESTMENT COMMUNITY

PROPARCO has a unique mode of governance that distinguishes it from other development finance institutions. It brings together 30 **private and public sector shareholders from North and South** committed to development.





# 03 OUR INTERNATIONAL PRESENCE

## AN INTERNATIONAL PRESENCE

PROPARCO's work potentially targets all countries eligible for Official Development Assistance. Today the institution operates in over seventy countries spanning four continents, from major emerging markets to the least advanced countries.

### FRENCH OVERSEAS TERRITORIES

**€133m**  
In outstanding amounts and equity stakes portfolio (3%)

### MULTI-COUNTRY

**€129m**  
In outstanding amounts and equity stakes portfolio (3%)

### LATIN AMERICA AND THE CARIBBEAN

**€792m**  
In outstanding amounts and equity stakes portfolio (20%)

- **MEXICO CITY**  
Central America and the Caribbean
- **SAO PAULO**  
South America
- **SANTO-DOMINGO**  
Dominican Republic and Haiti

### PROPARCO'S HEADQUARTERS

PARIS

ISTANBUL

CASABLANCA

ABIDJAN

LAGOS

DOUALA

NAIROBI

### MEDITERRANEAN AND MIDDLE EAST

**€803m**  
In outstanding amounts and equity stakes portfolio (20%)

- **CASABLANCA**  
Maghreb
- **ISTANBUL**  
Turkey and Middle-East

### SUB-SAHARAN AFRICA

**€1,514m**  
In outstanding amounts and equity stakes portfolio (38%)

- **ABIDJAN**  
West Africa
- **DOUALA**  
Central Africa
- **JOHANNESBURG**  
South Africa and Indian Ocean
- **LAGOS**  
Nigeria
- **NAIROBI**  
East Africa

### ASIA

**€642m**  
In outstanding amounts and equity stakes portfolio (16%)

- **BANGKOK**  
North and Southeast Asia
- **NEW DELHI**  
South Asia
- **ISTANBUL**  
Central Asia and Caucasus
- **BEIJING**  
China

## MANDATE : GREEN AND INCLUSIVE GROWTH

### BANKS AND FINANCIAL MARKETS

- **PROPARCO** mainly operates in the banking sector, but also in insurance, reinsurance, leasing and microfinance.

In the banking sector : dedicated credit lines/equity contributions.  
-> Dedicated credit lines earmarked for sectors such as renewable energie or agribusiness.

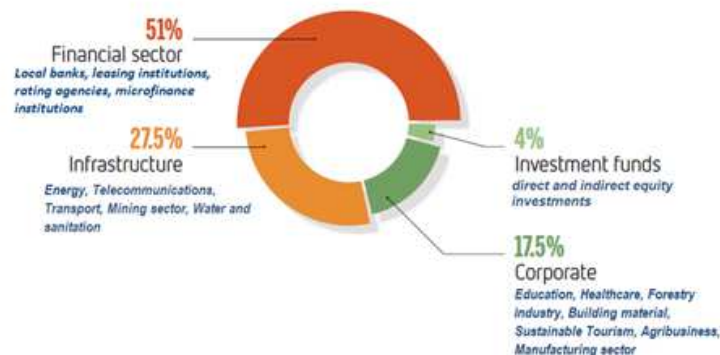
### CORPORATE

- **PROPARCO** is involved in a **wide variety of sectors**, such as :
  - **Education**
  - **Health**: hospitals, medical test laboratories, pharmaceutical companies
  - **Agribusiness** : support across the entire agribusiness value chain
  - **Sustainable tourism**
  - **Construction**
  - **Industry**

### INFRASTRUCTURE

- **PROPARCO** supports the financing of infrastructure's construction, extension and renovation in a wide variety of sectors :
  - **Energy** : renewable and efficiency energy
  - **Telecommunications**
  - **Transport** : rail, air, ports, roads
  - **Water and sanitation**
  - **Mining**

Portefeuille au 31/12/2014



# 05 PROPARCO'S FINANCING TOOLS



**PROPARCO**

.....  
*LONG-TERM  
FINANCING*  
.....

## SENIOR LOANS

### Broad Criteria

- › Investment from 10 M€ to 100 M€
- › Maturity from 5 to 20 years
- › Possibility to offer local currency
- › Floating or fixed interest rate
- › Appraisal fee, commitment fee
- › Co financing mechanisms with other DFIs
- **Main Securities :**
  - › Pledge on assets
  - › Cash waterfall, DSRA, cash sweep, etc
- **Main Covenants :**
  - › Financial ratios: DSCR, EBITDA/net debt
  - › Negative pledge, limit on dividend distribution, limit on new indebtedness

## GUARANTEES

- › To facilitate financing in local currency
- › Bond guarantees
- › Interbank loan guarantees

## TA

- › Special envelope of funds dedicated to Technical Assistance on selected projects

## EQUITY INVESTMENT

### DIRECT EQUITY

- › 2 M€ to 20 M€
- › Minority stakes (< 20-30%)
- › Clear exit strategy after 5-10 yr

### QUASI-EQUITY

- › Convertible loans
- › Shareholder loans
- › Subordinated debt

### INDIRECT EQUITY

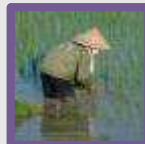
- › 5 M\$ to 15M\$
- › Preference for regional funds offering a good diversification as well as a strong local presence and networks
- › Sectors: agribusiness, clean energy, basic infrastructures, microfinance, etc.
- › Assistance with fund structuring and fund raising
- › Involvement in fund governance bodies

## 06 PROPARCO'S ADDED VALUE



### OUR ORIENTATIONS

- Stimulating **growth** and **job creation**.
- Developing and deepening **financial markets**.
- Promoting **responsible and sustainable** economic models.



### OUR OPERATIONAL PRINCIPLES

- **Subsidiarity:**  
Not to substitute local private stakeholders when they are in a position to take action.
- **Additionality:**  
Stepping in where market forces prove insufficient, while having effect on development.
- **Patient investment:**  
Offer its partners long-term resources.
- **Leverage:**  
Catalyze private investment in Southern countries.
- **Responsibility:**  
Finance investments with strong developmental impacts.



### KEY STRENGTHS

- **Climate expertise:**  
Renewable energy, energy efficiency
- **In-depth knowledge and experience of Africa:**  
Nearly 40 years of continuous presence, through 5 regional offices.
- **Role as promoter of development:**  
Support for projects with effect on development.
- **A network of partners:**  
Multilateral institutions, European Development Finance Institutions (EDFI), private investors and commercial banks.
- **Environmental and social approach:**  
Assisting clients in improving their environmental and social performance.
- **Multi-sector expertise:**  
Financial and technical know-how.
- **Synergies between PROPARCO and AFD :**  
Extensive knowledge of countries, direct contact with local authorities and main donors, possibility of co-financing.
- **High standard due diligence procedure :**  
Anti-money-laundering and counter-terrorism financing procedures, environmental and social impact measurement.



## 07 OUR PRESENCE IN NORTH AND SOUTH EAST ASIA



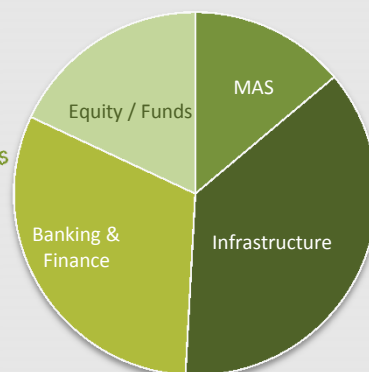
### IN THE REGION COVERED BY THE BANGKOK OFFICE (SEA + CHINA & MONGOLIA)

- › Combining long term developmental objectives with private sector returns
- › Over USD680m committed to 55 investment projects (As of Dec 2013)



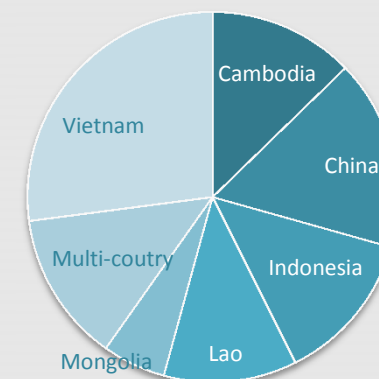
### COMMITMENT BY SECTOR

37% Infrastructure  
31% Banking and Finance  
14% Manufacturing,  
Agribusiness & Services  
18% Equity / Funds



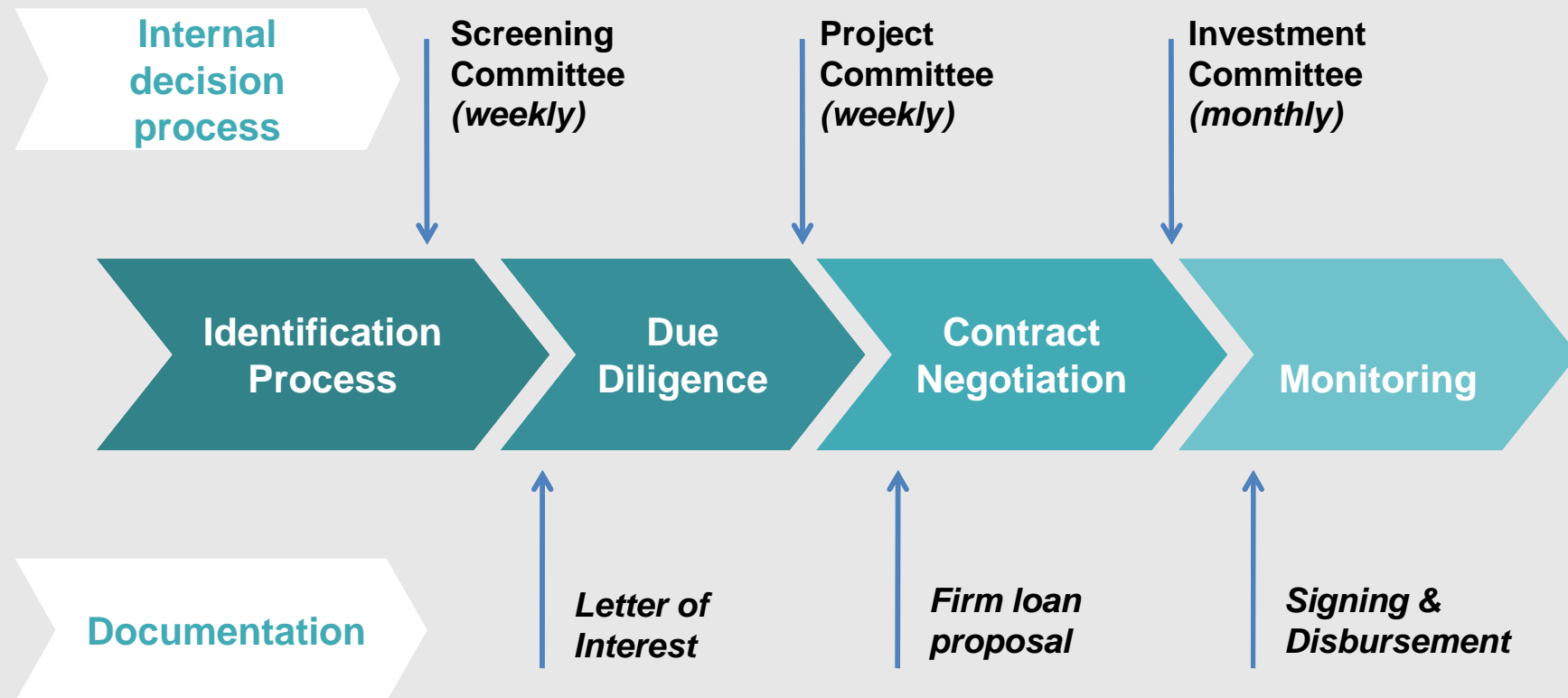
### COMMITMENT BY COUNTRY

27% Vietnam  
17% China  
13% Indonesia  
13% Cambodia  
12% Laos  
6% Mongolia  
13% Multi-country





## 08 OUR INTERNAL PROCESS



# 09 SELECTED PROJECTS

## SAMPLE PROJECTS BY SECTOR

### INFRASTRUCTURE

#### Renewable Energy Investment Fund

- **Sindicatum**, 2013, Mezzanine USD15m
- **Armstrong SEA Clean Energy Fund**, 2013, USD13m

#### Combined cycle gas power plant

- **PTES**, Indonesia, 2012, Loan USD27,5 m
- **Phu My 2.2**, Vietnam, 2002, 715 MW Combined cycle plant, Loan USD 40m , cofinance with JBIC, ADB, commercial banks, tenor 20 years

#### Gas distribution

- **China Gas**, China, 2005, Mezzanine Loan USD25m

#### Hydro Power Plant

- **Theun Hinboun**, Laos, 2009, Loan USD 40m
- **Zhongda**, China, 2006, Loan EUR 7,8m
- **Nam Theun II hydro**, Laos, 2005, Loan USD27m

#### Airports

- **SCA Airports**, Cambodia, 2003-2006, Loans USD10-17.5m

#### Ports

- **SSIT/CICIT**, Vietnam, 2009/2010, Loan USD 15m/15m, with FMO IFC KW (total cost of the project 240M\$/155M\$)

#### Biomass

- **TBEC**, Thailand, 2005, Guarantee EUR6m

### FINANCIAL SECTOR

#### Bank / leasing company

- **FEH, China, 2015**, Guarantee to ADB loan, USD20m
- **XacBank, Mongolia**, 2013, Loan USD15m
- **Sacombank**, Vietnam, 2008-20010-2011, 2 seniors Loans USD 20m+20m
- **Techcombank**, Vietnam, 2009-2010, 2 seniors Loans, USD15m+15m

#### Microfinance

- **MBK**, Indonesia, 2012, Credit line, EUR4m
- **TPC**, Cambodia, 2012, Local currency loan equiv. of USD3m
- **Panin Bank**, Indonesia, 2011, Loan USD20m:
- **HKL**, Cambodia, 2011, Loan USD5m
- **Aceda Bank**, Cambodia, 2009, Loan USD10m :
- **AMRET**, Cambodia, 2008, Loan USD4m
- **AMK**, Cambodia, 2014, Equity USD 5m

# 10 SELECTED PROJECTS

## SAMPLE PROJECTS BY SECTOR

### INVESTMENT

#### Investment Fund

- **Quadria Capital (health)**, SEA, 2015, Equity USD 15m
- **Spring Capital Asia Fund**, China, 2010, USD8m
- **Dragon Capital**, Vietnam, 2008, Eq. USD5m
- **Vietnam Debt Funds**, Vietnam, 2008, Eq EUR5m
- **Red River Holding**, Vietnam, 2008, Eq USD13m
- **Development Principles Fund II**, Eq. USD20m
- **Cathay Capital**, China, 2007, Eq. EUR5m
- **Asian Lion**, 2006, Eq. USD3m

### CORPORATE

#### Agribusiness

- **Golden Rice**, Cambodia, 2009, Loan USD7m
- **Golden Rice**, Cambodia, 2013, Loan USD10m
- **SUU**, Mongolia, 2011, Loan USD2m
- **Asian Bamboo**, China, 2011, Loan USD20m

#### Health

- **Sinder**, China, 2009, Loan USD7.5m

#### Paper industry

- **FajarPaper**, Indonesia, 2011, Loan USD10m

#### Glass industry

- **Yaohua Glass**, China, 2011, Loan USD40m

#### Garment

- **SCAVI**, Vietnam, 2004 and 2009, Loans USD2m+4m

# 12 Team

## Mélody SANG

### Regional Representative

Mélody SANG has been responsible for the Bangkok Regional Office since 2014. She started her career at AFD in 2005. She held different positions at the Strategy Department, at AFD's Hanoi Agency and at the Direction of Operations. In 2011, she joined PROPARCO's Risk Department where she was in charge of multi-sector transactions in Asia, Africa and South America. She holds a Master in Sustainable Development Management from HEC Paris, a Master in European and International Management from La Sorbonne, and a Master in Management from Paris Dauphine.

## Jing CHEN

### Senior Investment Officer

Jing CHEN is in charge of originating and managing the portfolio for China. She joined the PROPARCO team in 2006 following an initial experience at AFD's Beijing Agency. She previously worked for the Sanofi-Aventis Group in Paris as a site-management controller. Jing graduated from Sciences Po Paris and from the Beijing Language and Culture University.

## Jetsada CHUENCHOOJIT

### Investment Officer

Jetsada CHUENCHOOJIT is in charge of originating and managing the portfolio for Thailand, the Philippines, and Myanmar. Before joining PROPARCO in November 2012, he previously worked for Macquarie Securities and for TMB Bank in its investment banking group, focusing on capital market and project finance transactions. Jetsada holds a Bachelor's degree in Economics and Mathematics from Williams College, and a Master's degree in Finance from London Business School.

## Agathe CASATI

### Investment Officer

Agathe CASATI is in charge of originating and managing our portfolio in Vietnam and Lao PDR. She joined PROPARCO's regional office in March 2014. She previously worked with Mairie de Paris, BPCE Group, and Akvo Energy. She graduated from Ecole Nationale des Ponts et Chaussées and Université Paris 10.

## Milosz SZOJA

### Investment Officer

Milosz SZOJA is in charge of originating and managing our portfolio in Indonesia and Cambodia. He joined PROPARCO's regional office in September 2014. He previously worked with Crédit Agricole CIB, Natixis, and Omnes Capital. He graduated from Audencia School of Management.

## Jaidee CHOTJINDA

### Assistant

Jaidee CHOTJINDA joined Proparco in 2008 after graduated from the Faculty of Arts, Chulalongkorn University in Thailand. Jaidee provides diverse support to Proparco team daily activities including organizing business trip and arranging logistics preparations.



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