

# RE Equity Partners



# Introductory Remarks



STEPHEN HINTON  
Chairman, Sustainability Committee

*I am excited to be involved in Re Equity's bold enterprise to offer investors opportunities to invest in stimulating the economy towards inclusive sustainability. The team has come a long way and put in an amazing amount of effort into identifying how to invest for the good of people (including investors), and planet. This has not been easy - most investment approaches they explored, in order to show a return, ended up depleting natural capital and communities in one way or another.*

*The investment framework developed by Re Equity - thanks in part to the inputs of leaders in many fields - locks into the sweet spot at the heart of prosperity: real capital employed to satisfy real needs in ways that regenerate. And the metrics framework, again developed with leading edge input, ensures that investments can be tracked for impact and related to established goals like the SDGs and the Climate Agreements.*

*In its search for suitable investments, the sustainability committee has been overwhelmed by the range and depth of technologies and approaches in the ascendancy. They need our help, financial and entrepreneurial. The sustainable world we all want is within our grasp. If this message resonates with you, and you are able to invest with us, on behalf of the Sustainability Committee I invite you to join us in our efforts to usher in the sustainable future.*



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# Executive Summary



## Own a stake in a fast growing emerging investment manager focused on sustainability

- » RE Equity Partners, founded 2018 in Sweden, aims to attract and engage capital in a purposeful and meaningful way to create sustainability and impact while delivering strong financial returns.
- » During the last one year, we have developed and refined our sustainable investment framework and strategies, and have put together a team of leading investment and sustainability professionals to execute this thesis.
- » We have launched some of our pioneer investment strategies and retained the best transaction advisors and placement agents to help us raise the required capital, and hope to close the first raise of our initial investment vehicle in Q1 2020.
- » Our capability has grown rapidly. However, to be able to fulfil requests from close partners we need to supplement our capital resources. We are issuing this discounted share offer to those who wish to become part of our journey.
- » This share offer will give you the investor an opportunity to own a stake in a fast growing emerging investment manager focused on sustainability and impact investment. Investing in RE Equity Partners will bring a high financial upside while creating powerful impact through the company's sustainable investment strategies.

# About RE Equity Partners



## Real Estate, Infrastructure & Technology

- » RE Equity Partners is an emerging investment manager based in Stockholm with a strong focus on sustainable investments within real estate, infrastructure and technology. The core team has more than 100 years combined experience and a strong track record.
- » RE Equity Partners primary focus could be summarized in impact investments. We deliver impact investing across all asset classes, main asset classes would be within Infrastructure, technology and real estate.
- » To address today's social and environmental challenges, there is a strong need to invest in supplementary technologies and infrastructure which can support core functions of the real economy such as agriculture and energy. How can we tackle the big shortage of food, and how can we do it in an environmentally friendly way without accelerating global warming.
- » These huge global issues takes us to our three focus areas, real estate, agriculture, and energy. We know that accelerating the implementation of sustainable technologies and infrastructure in these areas, we will create deep impact, both socially and financially.

# Our Advisory Board



CHARLY KLEISNER



PETER HEAD



JONAS BERTILSSON



HELENA LINDEMARK



MATT DAY



REZA JA UFEERALLY



ALAN LAUBSCH



CHAU TANG



CARL PENDRAGON



REZA JA UFEERALLY



# Management Team



MAX QWARNSTRÖM



MICHEAL AKAMPA



GREG THAIN



TIM MACDONALD



PURVI DEDHIA



MICHAEL KNOWLES



RISHABH KHANNA



LISA TO HUYNH TANG



STEPHEN HINTON



SANDEEP GUPTA

# Track Record



\$500

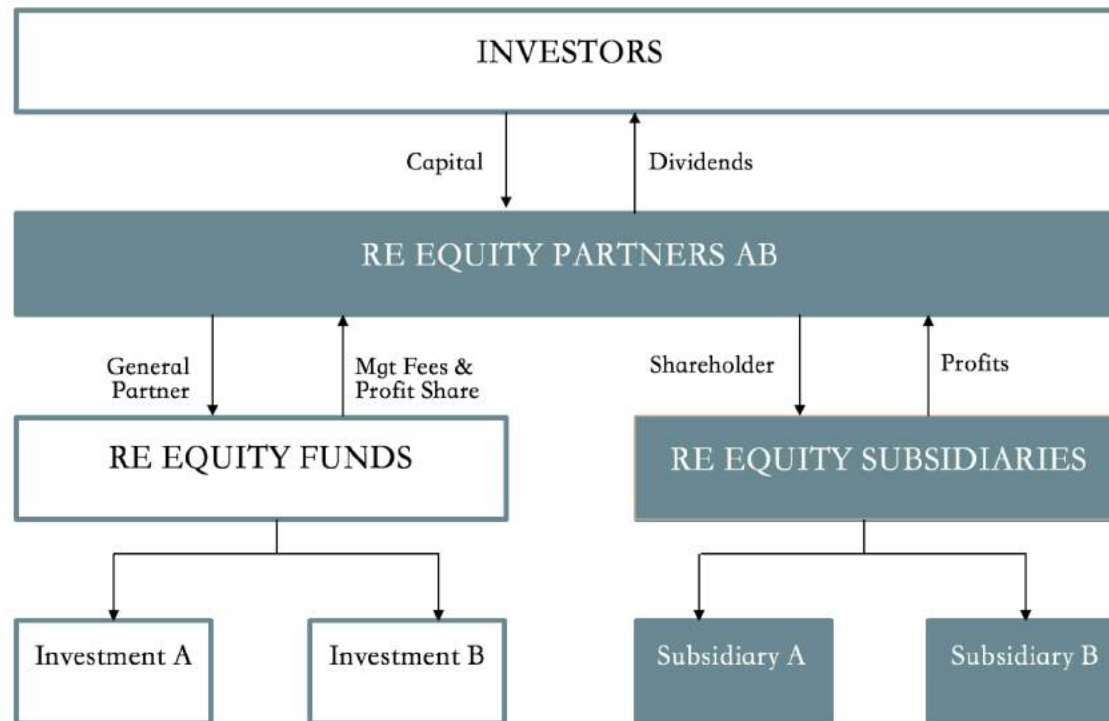
in private funds  
raised.

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- » The principals and key personnel of RE Equity Partners have sourced, structured, and managed investments with a total value of over US\$500m.
- » Our core team has a combined experience in real estate, infrastructure and technology exceeding 100 years, and have handled more than 50 different projects in Europe and internationally.
- » Strong performance from exited investments within our sectors, we have achieved IRR in excess of 20% from past projects.
- » We have a strong sustainability committee comprising of leading sustainability professionals and all our investments are evaluated on a strict sustainability matrix.



# Corporate Structure



- » Company - RE Equity Partners AB is a privately owned company based in Sweden.
- » Investors – Capital shall be committed by investors in exchange for shares in RE Equity Partners AB.
- » Subsidiaries – Investors in RE Equity Partners AB shall have indirect ownership of all the subsidiaries owned by the company and shall share in the profits from these companies.
- » Funds – Investors in RE Equity Partners AB shall also share in the fees and profit share from the Funds raised and managed by the company.



# Infrastructure



## **An innovative fund that invests in Resource efficient and resilient infrastructure**

- » RE Equity Partners are about to set up an infrastructure fund in partnership with a tier 1 infrastructure consultancy firm based out of India and a big intergovernmental organisation. The fund will invest up to €500M in public sector infrastructure projects in the least developed countries
  - » Investment will continue to shift to emerging markets; nearly two-thirds of global infrastructure investment in the period to 2035 is required in emerging economies.
  - » Many of the investments focus on new infrastructure but tremendous opportunities exist to convert existing infrastructure and make it more resource efficient.
  - » Our Infrastructure investment strategy primarily focuses on public and also private sector projects in the emerging markets and resource efficiency within agriculture, energy, and real estate.
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# Technology



## **An impact fund that scales regenerative Technologies and business models**

- » The objective of the Impact Tech fund is to contribute to efforts to accelerate progress towards the Sustainable Development Goals (SDGs) and transition to a regenerative and inclusive economy as required for peace, human-security and wellbeing.
- » There are many social enterprises doing a lot of innovative things that can support this transition, however they don't have the means to scale and grow.
- » We want to support complementary technologies and solutions that enable a more complete, holistic approach to sustainable development and transition to a Regenerative and Inclusive model.
- » Typical areas of investment shall be within AgriTech, CleanTech and PropTech.



# Real Estate



## An Opportunistic fund that invests in sustainable and affordable Real Estate

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- » RE Equity plans to raise +€20M fund dedicated to investing in sustainable and affordable properties in the Nordic region.
- » The fund will pursue an opportunistic strategy and will try to leverage invested capital upto levels of 70-80% so as to take advantage of the low interest rates and deliver a high financial return.
- » RE Equity shall act as a capital partner to experienced small to mid-size real estate developers with a concern for sustainability, and provide them with the resources, networks, and knowledge they require to make sustainable and affordable projects.





# Investments & Transactions

## Agriculture

We have developed an asset holding company for our agricultural investments in Africa and Asia through our subsidiary RE Farm Holding AB which is focused on aquaponics and modern farming technology.

We have so far invested in two pilot farms in East Africa that we are looking to scale commercially in Q4 2019. We are in advanced plans to co-invest in three pilot farms in major state in India which we will also scale commercially after the pilots, and in SA.

We are also together with Finnoponics, a Finnish AgriTech company in advanced stages of setting up a Technology company in Sweden that will produce aquaponics systems.

## Infrastructure

We have been shortlisted to set up a €500m infrastructure fund for United Nations Capital Development Fund. The fund will invest in infrastructure projects in the least developed countries.

Further to this we have received an offer from FaithInvest, an organization founded by Alliance of Religions and Conservations (ARC), a UK based NGO started by HRH Prince Philip in 1995.

We have signed a MOU with an Indian smart city developer to act as an advisor to raise the capital required for them to complete their projects, in the MOU it is stated that we will receive equity in the company at a later stage.

## Technology

We are in extensive discussions on launching a impact technology fund with a Chinese partner that will support Nordic tech companies in the CleanTech, AgriTech and PropTech field, with the purpose to scale them to larger markets. The fund has already received soft commitments from Chinese investors. The fund will raise in total €100m with expected first close in Q4 2019.

RE Equity Partners has also recently launched a accelerator program which will take minority stakes (10-25%) in tech companies that are in between the idea and product stage. We have already onboarded three start ups and are looking to seven more during 2019.

# Re Impact Accelerator



**We scale  
innovative  
start-ups with  
sustainable  
solutions**

- » The RE Equity Partners Impact Accelerator (RE Impact) is an early stage investor and advisor to Impact Tech start-ups. We get involved in companies with disruptive technologies and global potential and support them to grow and scale.
- » We accelerate extraordinary founders with unique ideas with possibility to solve big sustainability challenges. We first look at the needs for the start-up and then tailor-made an accelerator for each company.
  - Carry out research and analysis work on sectors, markets, and other opportunities.
  - Being an investor, we know what investors are looking for. We help our start-ups with structuring, investment material and introductions to our qualified network of business angels and institutional investors.
  - Hands-on support from dedicated the RE Partners team, making your company be investment and market-ready. Visit us on:  
<https://thehub.se/funding/accelerators/re-equity-partners-ab>

# Sustainability and Impact



- » Our sustainable investment approach aims to create long-term value and enhance social and ecological harmony through all our investments and assets. We take a comprehensive view of sustainability where we ensure that all aspects of the investment we aim to do creates long term value and is aligned with our investors' objectives. In a snap show, our criteria assesses some of the aspects in the image to the left:
- » At RE Equity Partners, we recognize that we are responsible for the impact our investments have on the environment and local communities. That is why we are strongly committed to sustainable investing, including careful consideration of environmental and socio-economic risks as well as the opportunities associated with owning and managing assets. This sustainable approach generates strong returns that are closely aligned with our investors' investment objectives.
- » We have noted from recent trends that investors are increasingly sensitive to social and environmental impacts — not just financial returns. And a growing number of today's investors are looking for investment managers that take a much more comprehensive view of sustainability in their investment selection and aim to create sustainable value and impact.

# Impact Investment Framework



## Impact Potential

Mitigation

Adaptation

Environmental

Social

Economic

- » **Criteria:** Our main criteria for investment is the impact potential of the investee company or project on the environment and society.
- » **Activity:** This is the specific sub-criteria where a potential investment falls. We assess both the mitigation and adaptation impact potential.
- » **Assessment:** We assess both quantitative indicators and qualitative factors across environmental, social and economic domains.



# How we Measure Impact



IMPACT DIMENSION	CATEGORIES OF IMPACT DATA	ASSESSMENT
<b>WHAT</b> What outcome(s) does the effect relate to, positively or negatively? Is it an important outcome to the person or planet?	Outcome in period Capital type SDG SDG target and indicator Importance of <outcome> to stakeholder	Negative outcome  Positive outcome Unimportant outcome  Important outcome
<b>WHO</b> Who experiences the effect, and how underserved are they in relation to the outcome?	Stakeholder Geography Boundary Demographic status in relation to <outcome> prior to <effect>	Well-served  Under-served
<b>HOW MUCH</b> How much of the effect occurs? Is the effect a deep driver of the outcome? Does it occur for many people and/or last for a long time?	<b>[SCALE]</b> Number of <stakeholder> experiencing outcome  <b>[DEPTH]</b> Degree of change experienced by <stakeholder> as a result of <effect>  <b>[DURATION]</b> Time period for which <stakeholder> experiences <outcome>	Small scale  Large scale Low degree  High degree Short-term  Long-term
<b>ENTERPRISE CONTRIBUTION</b> How does the effect compare and contribute to what is likely to occur anyway?	<b>[DEPTH]</b> Estimated degree of change that would occur anyway for <stakeholder>  <b>[DURATION]</b> Estimated time period that <outcome> would last for anyway	Much worse than what is likely to occur  Much better than what is likely to occur
<b>RISK</b> What is the risk to people and planet that the impact does not occur as expected?	What level of evidence risk are you taking? What level of external risk are you taking? What level of stakeholder participation risk are you taking? What level of drop-off risk are you taking? What level of efficiency risk are you taking? What level of execution risk are you taking? What level of alignment risk are you taking? What level of unexpected impact risk are you taking?	High risk  Low risk

- » **Impact Dimension:** We assess each underlying investment across multiple dimensions of impact.
- » **Impact Data:** We look at the type of data each underlying investment has across each dimension of impact. Despite ultimately seeking a data-driven approach to assessing impact, we are cognizant of the practical limitations of this approach especially where the desired data might be scarce or not available.
- » **Impact Assessment:** By assessing impact performance data (or expected impact performance data) across multiple dimensions, we can classify the impact of each effect.

# Impact Performance Data

ASSESSMENT TO LOOK FOR...					
□ WHAT	Unknown	Important negative outcomes	Important negative outcome(s)	Important positive outcome(s)	Important positive outcome(s)
○ WHO	Unknown	Various	Underserved	Various	Underserved
▮ HOW MUCH					
- DEPTH	Unknown	Various	High degree of positive change	Various	High degree of positive change and/or
- SCALE	Unknown	Various	Various	Various	For many and/or
- DURATION	Unknown	Various	Various	Various	Long-term
+ CONTRIBUTION	Unknown	Various	Likely same or better	Likely same or better	Likely better
△ RISK	Unknown	Various	Various	Various	Various
	▼	▼	▼	▼	▼
CLASSIFICATION OF IMPACT	May cause harm	Does cause harm	Act to avoid harm	Benefit stakeholders	Contribute to solutions

» By assessing impact performance data (or expected impact performance data) across the five dimensions, we can classify the impact of each effect.

» A project's impact is the combination of its effects on people and the planet. By assessing the effects of the investment/project as A, B or C, we can classify the impact of the overall project.

» Since the fund's investments shall be undertaken as a program with different projects forming a program portfolio, we shall be able to classify the impact of a portfolio of assets by looking at the impact of the individual underlying assets within the portfolio.

# Our Partners



# Offer and Terms



**10%**  
**of the**  
**Company**

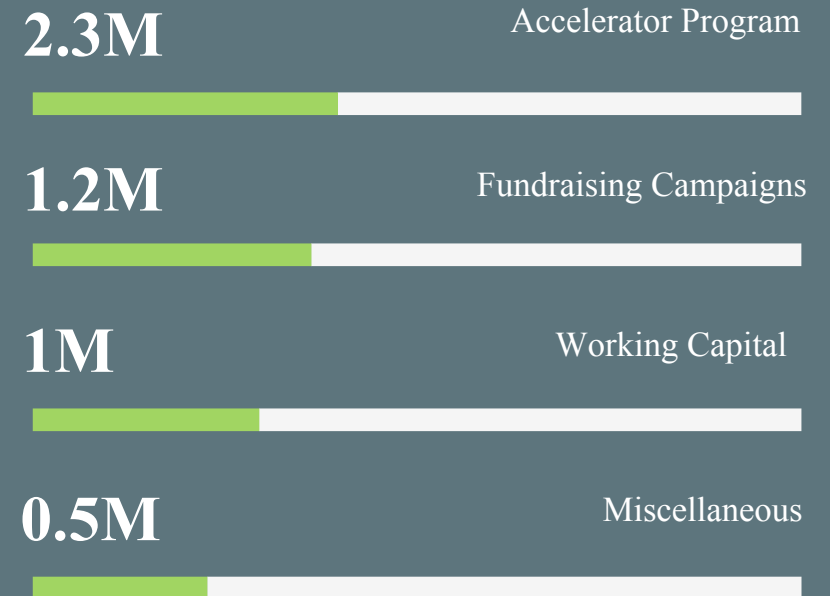
**AMOUNT SOUGHT**  
**5,000,000 SEK**

**PRICE PER SHARE**  
**10,000 SEK**

**MIN. INVESTMENT**  
**100,000 SEK**

**VALUATION**  
**50,000,000 SEK**

## Use of Funds

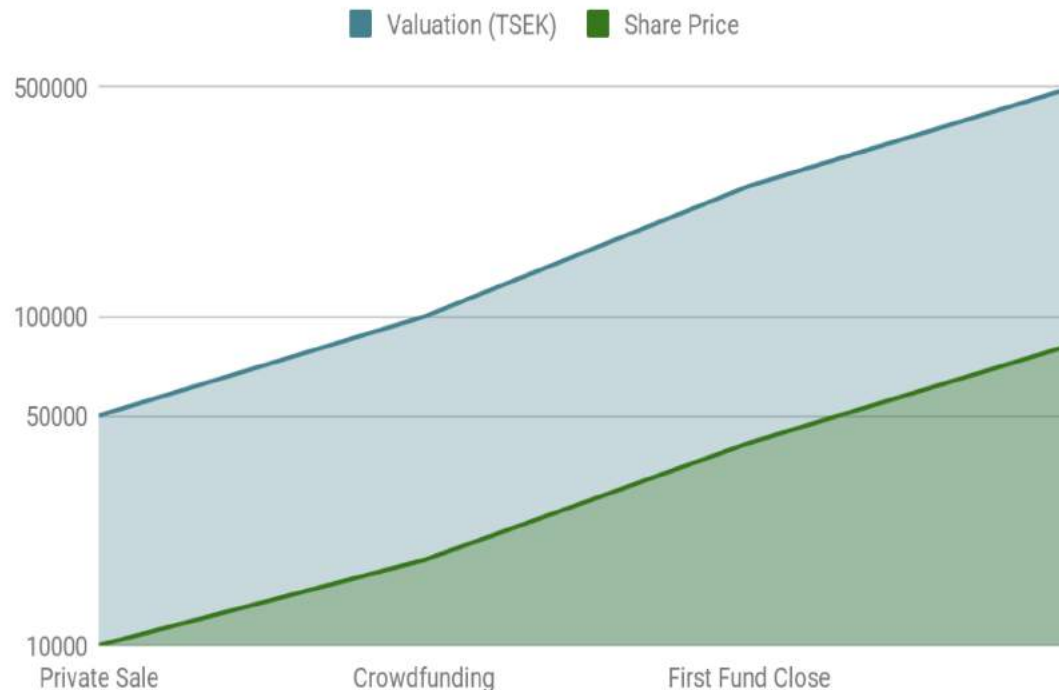




# Share Price and Valuation



Share Price and Valuation



- » RE Equity Partners will raise capital directly into the management company during Q3 2019 by issuing 500 new shares at a price of SEK 10,000 per share based on a pre money valuation of 50 MSEK. In total we are looking to raise 5 MSEK for 10% of the company.
- » To continue with our growth plans, we will raise additional capital through a private share sale during Q1 2020, by issuing a further 550 shares at a share price of SEK 18,182. Our intention is to raise a further 10 MSEK at a pre-money valuation of 100 MSEK.
- » In Q2 2020, RE Equity Partners aims to have closed their first investment fund. Our aim is a valuation of 250 MSEK by then.

# Financial Forecast



Revenue	2020	2021	2022
Fund Management Fees	2,000,000	7,250,000	12,500,000
Advisory and Consulting	500,000	1,000,000	2,000,000
Income from Subsidiaries	250,000	500,000	1,000,000
	2,750,000	8,750,000	14,500,000
Costs			
Overheads	550,000	1,750,000	2,900,000
Salaries	450,000	1,458,000	2,416,666
Marketing	55,000	175,000	290,000
	1,055,000	3,383,000	5,606,666
<b>Profit/Loss</b>	<b>1,695,000</b>	<b>5,367,000</b>	<b>8,893,334</b>

- » RE Equity will make revenue from three key sources; fund management fees, income from advisory and consulting services, and profit from subsidiary companies.
- » The company expects to close the first fund of €100m in 2019 and make drawdowns in 2020, resulting into annual management fees of €2m. The first closing of the second fund (€250m) will be in 2020 resulting in fees of €5m in 2021, and the second closing in 2021 resulting in a further €5m fee revenue in 2022.
- » As regards to costs, the company has a lean structure with very lean costs, but these will increase in proportion with the revenue. The goal is to outsource non-core services thus accounting for slightly higher overheads at 20% of revenue.

# Road Map

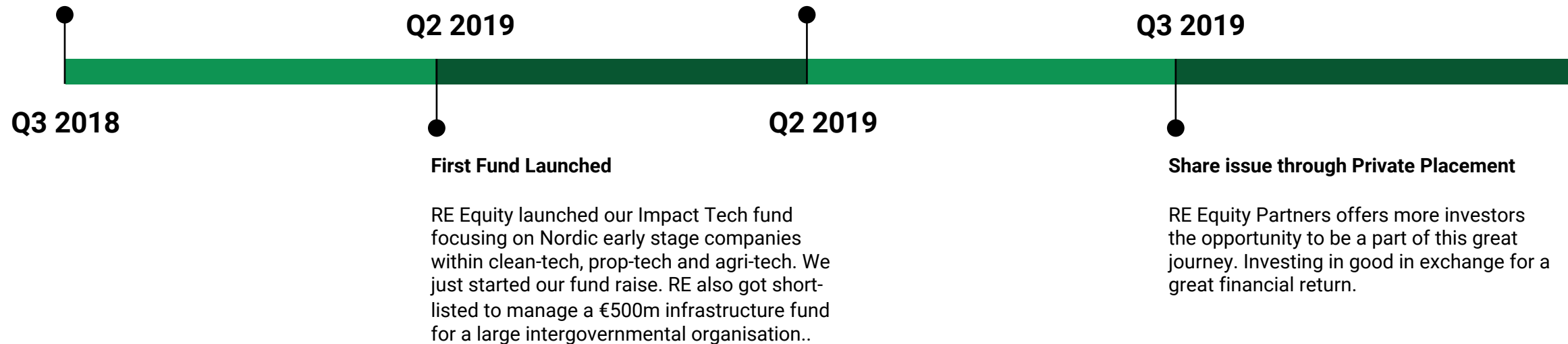


## RE Equity Partners Founded

RE Equity Partners was founded with the purpose of investing in sustainable projects that generates a great financial return along with a social impact.

## Initial Private Share Sale (Discounted)

RE Equity Partners offers an opportunity to our close partners and contacts to become a shareholder in the management company.



# Why Invest in RE Equity



## Sustainability First, Sustainability always

- » Sustainable – We invest in projects that meet the highest environmental and social standards and aim to deliver projects that are environmentally and socially friendly.
- » Experienced – RE Equity Partners AB is an experienced manager and its team has more than 100 years' combined experience in the investment industry.
- » Reputable – We work with the most able and reputable partners that have a solid track record to back it and are in sync with our values.
- » Transparent – We have a simple structure with strong corporate governance and controls, as well as very strong compliance and reporting.
- » Efficient – We are lean and very cost effective, and have structured our investment vehicles to minimize tax liability for the investors while ensuring tax morality.



# Our Contacts



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## Investor Relations

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# Disclaimer



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