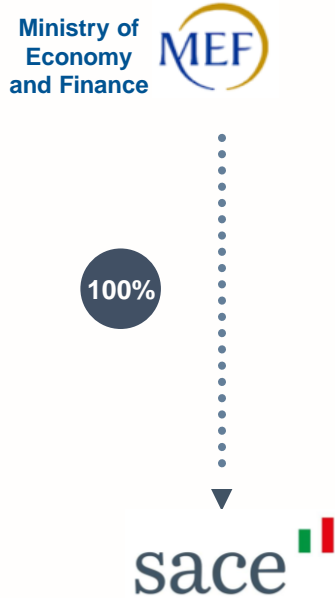




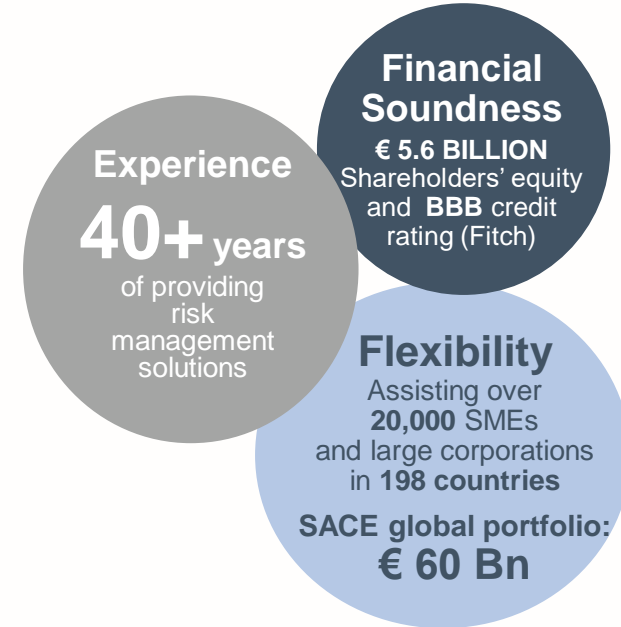
SACE – Official Export Credit Agency of Italy

SACE Mumbai Office – India & South Asia

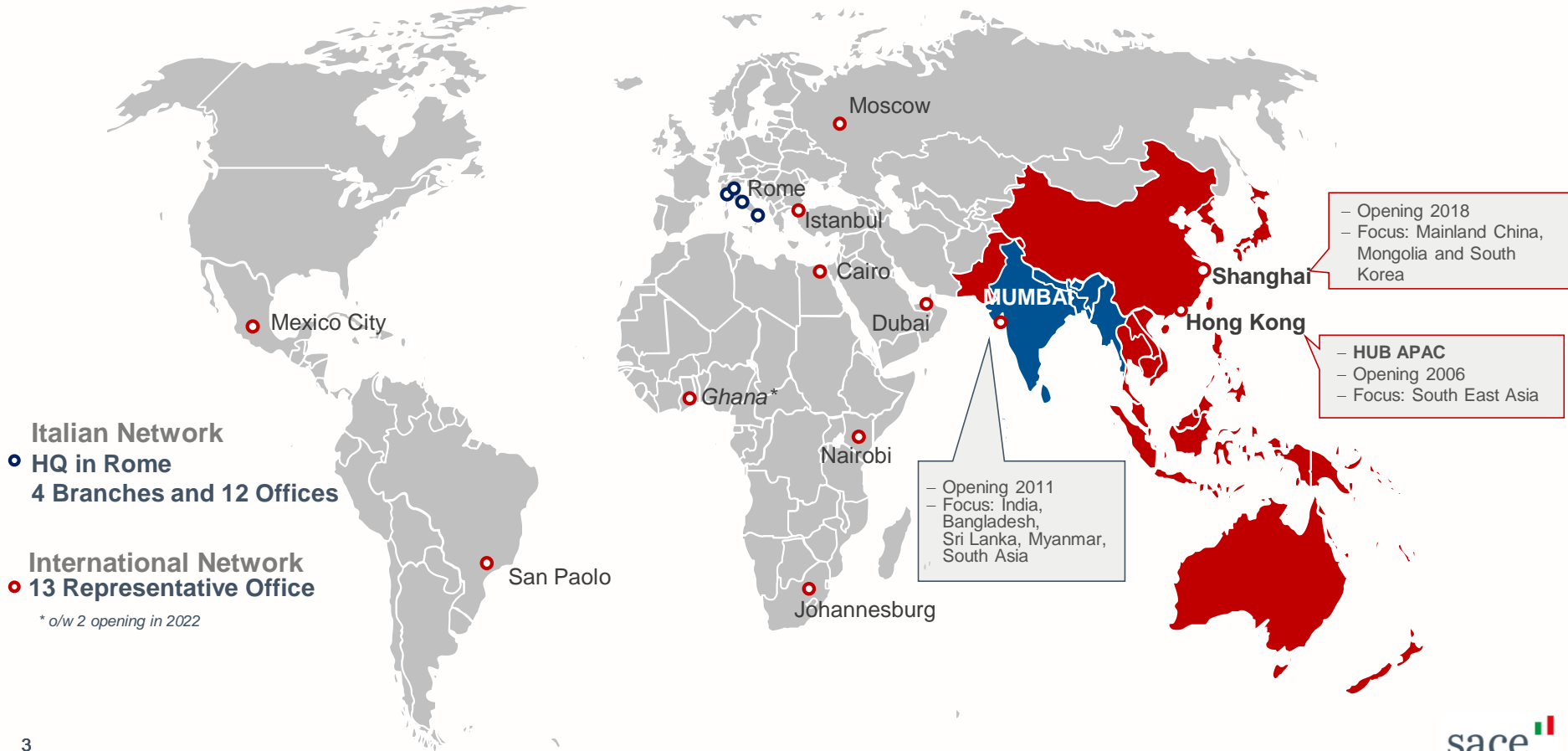
SACE: the Internationalisation Partner of Italian Companies



- SACE is the official **Export Credit Agency (ECA)** of Italy, directly owned by the Italian Ministry of Economy and Finance (MEF)
- Offers **insurance and financial services** and integrated solutions to support **Italian export and FDIs**
- SACE medium-long term **tied/multi-tied** and **untied facilities** represent an **innovative, flexible and competitive instrument of funds raising for foreign companies**
- Provides **easy access to business opportunities activating strategic partnerships**
- Has a **deep knowledge of Italian industries and supply chains**



SACE Global Network and Focus on APAC Region



ITALY is a leader in many industries



Machinery and automation

2nd country in the World for export value (after Germany)



Ceramics industry

First producer of ceramics tiles in Europe (85% of revenues from export)



Aerospace and defence

3rd country in the World for export of **helicopters**



Fashion industry

1/3 of all value added of the sector in the EU is Italian (4 times France and 3 times Germany)



Agri-Food

value added (€68.1bn) 2 times automotive of Fr. & Sp. and double of Fr, Ger, UK aerospace sector



Furnitures

2nd globally as trade surplus and **1st in Europe as export value**



Cosmetics

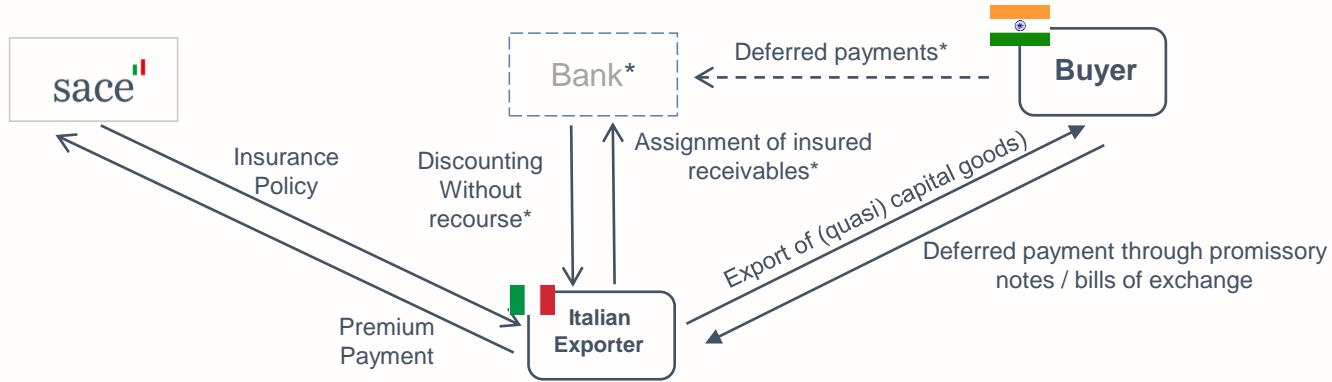
1st country in the World for make-up production (55% of global market)



Yachts

1st country in the World with over 40% of world orders

Supplier's Credit



Subject to OECD
Consensus for
Export Credit

HOW IT WORKS

- SACE issues to the Italian Exporter an **Insurance Policy** covering up to **85% of the export contract value** (min 15% down payment), **from as low as € 50,000**
- The policy covers up to **95-100%** for non-payment, caused by **political and commercial events**
- **Italian Supplier can obtain liquidity through discounting receivables** without recourse upon assignment of them to the bank, together with the SACE insurance policy

BENEFITS FOR BUYERS

- A financing solution that supports Indian buyers in **getting deferred payment terms at competitive interest rates** when purchasing capital goods from Italy. **Alternative option to the conventional L/C**
- **No impact on existing credit lines** already available with banks
- **Extended terms of payment up to 3 years** with repayment by semi-annual regular instalments

HOW TO ENGAGE

- The buyer provides its **latest financial statements** together with some additional info (e.g. details on the transaction, company profile) for credit evaluation
- Subject to SACE credit approval, the buyer and the Italian exporter will negotiate deferred payment terms

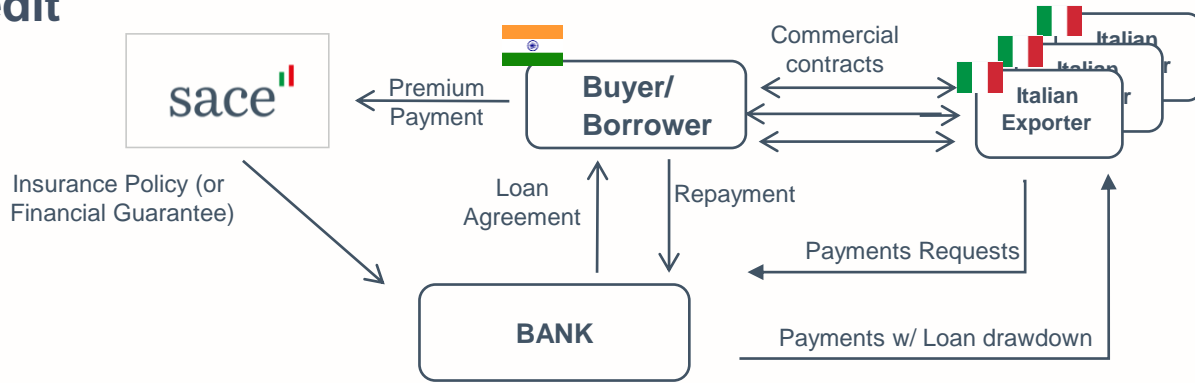
**Policy assignment to bank and discounting of insured amount are NOT mandatory. Deferred payment can be made directly to Italian exporter*

Typical Supplier's Credit scheme

- **Amount** : Value as low as ~€ 50,000
- **Tenor** : Up to 3 years*
- **Financed amount eligible for SACE cover:**
 - For payment period exceeding 24 months, to be paid in multiple instalments: up to 85% of the export contract (minimum 15% down payment to the Exporter is mandatory)
 - For payment period up 24 months, to be paid either in multiple instalments or in one single instalment (bullet repayment profile): up to 100% of the export contract
- **Security**: Unsecured

Deferred payments terms are based on credit profile of borrower and local/international regulations

Buyer's Credit



HOW IT WORKS

- **SACE facility amount can reach up to 85% of the Italian eligible Export Contract Value** (+ up to 50% of ECV for local costs) with 15% minimum to be paid as down payment
- SACE guarantee issued to the bank covers the facility against political and commercial risks, thus allowing bank to offer **favorable rates and longer tenors**
- SACE **premium can be entirely financed**

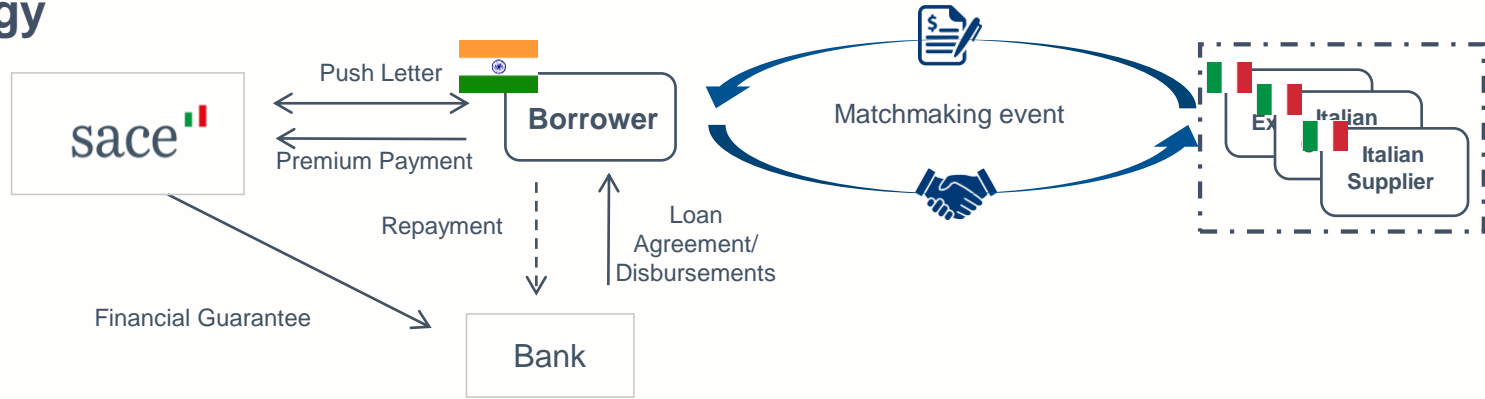
BENEFITS FOR BUYERS

- **Support Indian buyers in getting access to medium-long term financing** for procuring capital/semi-capital goods from Italian exporters/contractors. **Sizeable financing** usually for **importing (multiple) machinery**, setting up **production lines**, carrying out **construction works**, executing **large projects**.
- **No impact on existing credit lines** in banking system
- **Borrower may also benefit from fixed interest rate** through an interest make up agreement (fixed CIRR rate)

HOW TO ENGAGE

- **The buyer provides its latest financial statements** together with some additional info (i.e. project description and/or info on possible procurement from Italian suppliers, etc.)
- SACE and the Bank jointly assess the feasibility and structure the transaction in terms and conditions acceptable to the borrower

Push Strategy



NOT subject to OECD Consensus

HOW IT WORKS

- **General purpose corporate loan (UNTIED) supported by SACE guarantee** and aimed at encourage procurement from Italian suppliers
- **Borrower will sign with SACE the Push Letter**, an agreement regarding i) target amount of procurement from Italian suppliers to be reached, *on a best effort basis*, ii) **economic incentive** recognized by SACE to the borrower in case target amount is reached, iii) borrower's commitment to take part to matchmaking events

BENEFITS FOR BUYERS

- Medium-long term financing not linked to specific contracts (**untied**), which may be utilized also for working capital, capex, etc.
- Also non-capital / retail goods can be purchased through Push Strategy. Purchases from Italian suppliers outside Italy (Italian foreign subsidiaries) also eligible (Made IN Italy and Made BY Italy)
- Privileged access to potential new Italian suppliers through **matchmaking events** to meet the company's procurement needs and facilitate reaching of procurement target. Events will be arranged with support of SACE

HOW TO ENGAGE

- The borrower provides its **latest financial statements** together with some additional documents (i.e. info on past procurement from Italian suppliers, capex plans)
- SACE and the Bank joint coordination to assess the feasibility and to structure the transaction in terms and conditions acceptable to the borrower

Push Strategy: key features

Product	Untied medium-long term financing provided by Italian, International and/or local banks to large foreign counterparts (public or private large corporates) under a SACE financial guarantee
Distinctive features	Financing through the Push Strategy will be untied (general corporate purposes loan), i.e. not linked to specific contracts , and can be utilized for Capex, Opex, Working Capital, etc. across all group's entities
Promotion of Italian procurement	Main objective is to encourage the Borrower to increase its procurement of Italian goods and services (either Made in Italy or Made by Italy), ultimately leading to a positive impact on the Italian economy. To such scope the Borrower will be required to sign a "Push Letter"
Single ticket size	From € 20-25 mln (or USD equivalent). SACE guaranteed amount up to € 300 mln (being max 80% of the facility amount)**
Tenor	Up to 10 years , to be determined on the basis of the amount, counterparty rating, and country of destination*
Borrower risk profile	Top tier company or entity able to import, or willing to procure, significant amount of goods and services from Italian companies during the life of financing. Borrower / guarantor structure also possible.

* Large amounts could be considered on a case-by-casis basis

**On a case-by-case basis, tenor can be increased to up to 12 years

	Supplier's Credit	Buyer's Credit	Push Strategy
Main advantages	Obtain deferred payment terms at competitive rates , while preserving available bank credit lines	Receive medium-long term bank financing at competitive rates for large supply orders and construction projects (energy, infrastructure, etc.)	Access medium-long term bank financing at competitive rates to increase future procurement from Italy . Through dedicated B2Bs, meet top tier potential Italian suppliers for your business
	Traditional export credit in compliance with OECD regulations: contract-tied financing for capital and semi-capital goods		Untied financing also for non-capital and retail goods: <u>Italian exporters and contracts <i>NOT</i> necessarily already identified</u>
Insured risks (for exporter / financing bank)	Non-payment risk, due to commercial or political events (+ production risks)		Non-payment risk, due to commercial or political events
Eligible amounts (on average)	Up to EUR 10 mln*	From EUR 10-15 mln*	From EUR 20-25 mln*
Level of cover	Up to 85% of contract value (for > 24 months deferred payment terms)	Up to 95% of financed amount (max 85% of total contract value)	Up to 80% of financed amount
Tenor	Up to 3 years	On average from 5 years	Medium-long term: up to 10 years

Deals Executed in India & South Asia - Highlights



SHRIRAM
Transport Finance Company Limited

A WINNING RELATIONSHIP
EUR 125 Mn
Guarantee
Untied / Push Strategy

2019 India



JSW Steel

USD 97 Mn
Guarantee
Multi-Tied Buyer Credit

2019 India



Reliance
Industries Limited
Growth is Life

USD 500 Mn
Guarantee
Untied / Push Strategy

2018 India



JSW Steel

USD 70 Mn
Guarantee
Multi Tied Buyer Credit

2021 India



MGI
Meghna Group of Industries

EUR 18 Mn
Insurance Policy
Buyer Credit

2019 Bangladesh

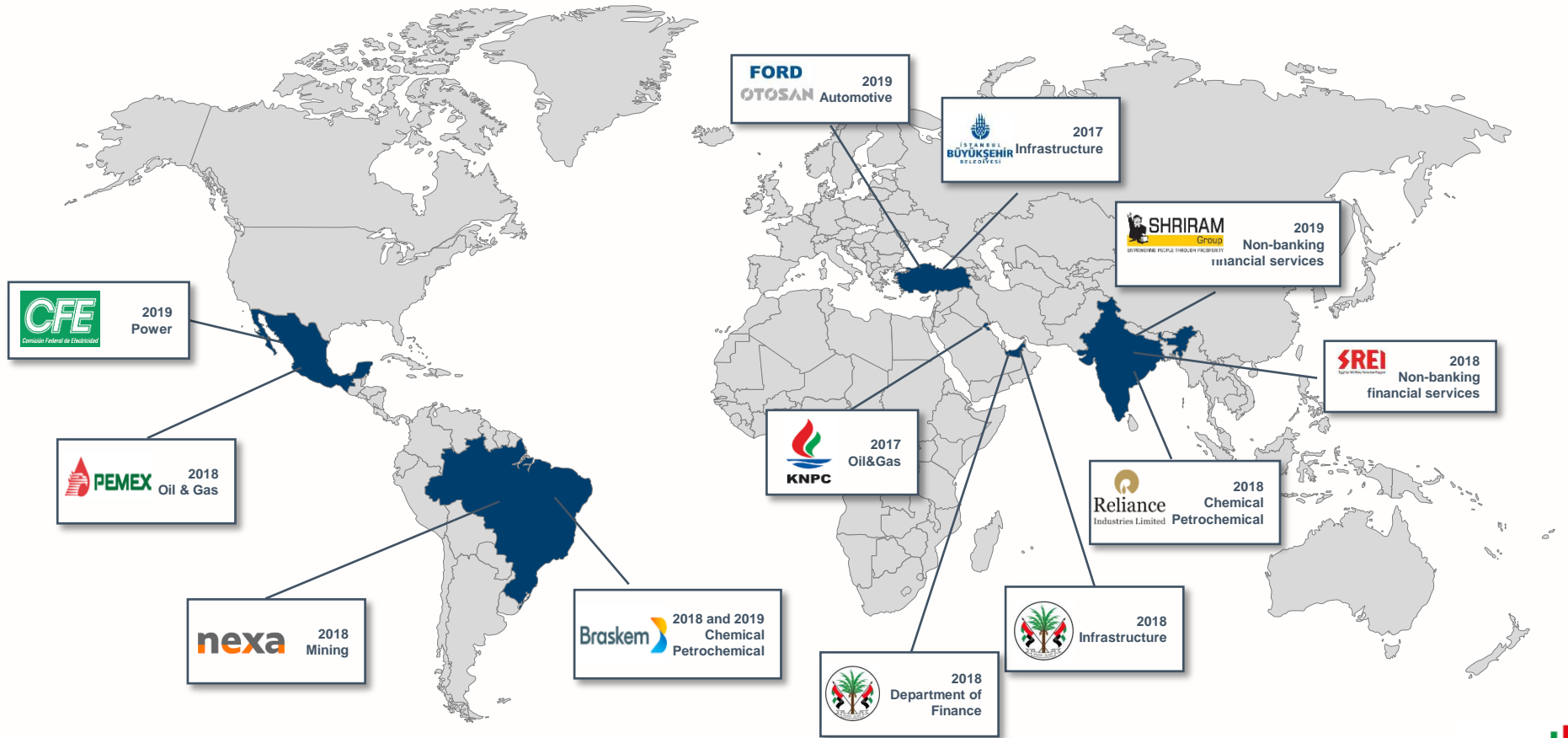


Biman
BANGLADESH AIRLINES

USD 250 Mn
Guarantee
Aircraft Financing

2018 Bangladesh

More than € 2.3 Bn Push Strategy deals have been finalized to date



Business matching events: the story so far



50+ Events



+ 2000 SMEs



~ 1170 B2Bs



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