

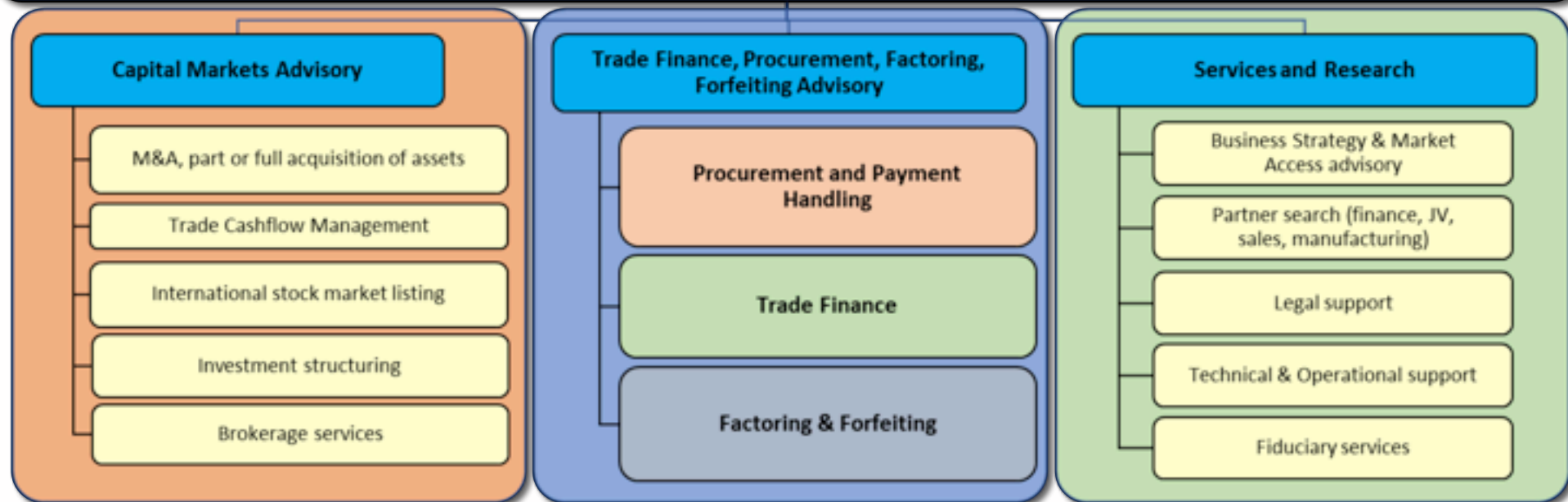


M&A, Corporate and Trade Advisory Boutique
authorised and regulated by the Financial Conduct
Authority in London

Private & Confidential
2019

Arjan Capital Ltd, London

M&A, Corporate and Trade Advisory boutique,
authorised and regulated by the Financial Conduct Authority (FCA)



Neue Zürcher Zeitung

THE WALL STREET JOURNAL.



theguardian

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Bloomberg
TV CANADA

Treffpunkt der Finanzwelt
finews.ch



The New Silk Road

Central Asia and the Caucasus



Rich History, Bright Future: The Silk Road renaissance

Central Asia is located at the heart of the old Silk Road. In particular, cities like Bukhara and Samarkand, were among the world's wealthiest cities and a global centre of the arts and sciences.

Several centuries later, the region is once again taking centre stage through ambitious economic reforms in order to take advantage of its location at the cross roads between China, Europe, India and Russia.

In particular, large investments from the Chinese Belt and Road initiative, the liberalisation of the economies and attractive valuations offer a unique investment opportunity.



170m

Combined population

Its landmass is larger
than the European Union

No.1

The region has the largest hydrocarbon reserves in the world. It is also one of the biggest producers of Uranium, Copper, Gold, Coal.

Strategic location and young, well educated populations are contributing to strong economic growth.

Introduction to the “New Silk Road”

It is Arjan Capital’s strategic objective to facilitate market entry and trade for global firms into the New Silk Road region

- The Silk Road is a unique investment region, rich in history and natural resources, which for centuries comprised a network of trade routes that, prior to the dominance of maritime trade, connected leading kingdoms and empires.
- For much of the past two millennia this region included some of the most sophisticated centres of culture, science, wealth and arts, with the Romans, Greeks, Egyptians, Mongols, Indians, and Chinese all trading goods and exchanged ideas along the Silk Road.
- Today, the Silk Road is regaining prominence due to its extensive resources, improving infrastructure and technological upgrades. Its strategic position as a link between Europe and Asia, as well as its proximity to the world’s largest emerging economies, makes it a key beneficiary of the Chinese Belt and Road initiative.
- Additionally, countries in the region have engaged in significant reforms, paving the way for foreign capital inflow, local entrepreneurship and technology adoption.
- Given the intricacies of these countries and their respective market participants, global firms will often find themselves uninitiated and unequipped to operate successfully in the region. Thus, these global firms seek out proprietary investment/commercial opportunities, on a turnkey basis, wrapped in industrial, financial and legal support.

China's "Belt and Road Initiative"

**The Belt and Road Initiative is vast, encompassing countries that account for 29% of global GDP
"By linking countries and regions that account for about 60% of the world's population and 30%
of global GDP, the (Silk Road) is 'a project of the century'"**

- President Xi Jinping

- China's Belt and Road Initiative (BRI) seeks to expand maritime routes and land infrastructure networks connecting China with Asia, Africa and Europe, boosting trade and economic growth.
- This modern version of the "Marshall Plan" seeks to secure China's supply of raw materials, secure trade routes and open new markets. Its name was coined in 2013 by China's President Xi Jinping; the Chinese Government is expected to invest in excess of \$1tr on this initiative.
- What is unfolding is the world's largest development project, enabling local businesses to be more competitive globally; over the coming decade it is only likely to grow in scope.
- The initiative now encompasses nearly 70 countries with over 4.8 billion people, which represents more than half the planet's population. It covers economies worth a total sum US\$ 21 trillion, accounting for 62 per cent of the world's GDP and about 65 percent and 30 percent of global land- and maritime-based economic production respectively.

Why do business in the New Silk Road?

Solid Growth Drivers	Positive Structural Changes	Improving Macro Fundamentals	Lower Risk
<ul style="list-style-type: none"> Strong domestic growth Rising exports revenues from natural resources Infrastructure investment Favourable demographics Fuelling the Asian demographic and economic growth 	<ul style="list-style-type: none"> Improving governance and rule of law Liberalisation and privatisations Capital markets development Highly educated and talented workforce Infrastructure upgrades, Belt and Road initiative 	<ul style="list-style-type: none"> Positive GDP growth trend Growing international reserves Increasing exports and FDI Financial renaissance as NPL's are restructured and loan growth is increasing 	<ul style="list-style-type: none"> Low Debt/ GDP ratios Improving legal and operational framework Sound monetary and fiscal policies Lower correlation to mainstream markets Under-representation in Index investing

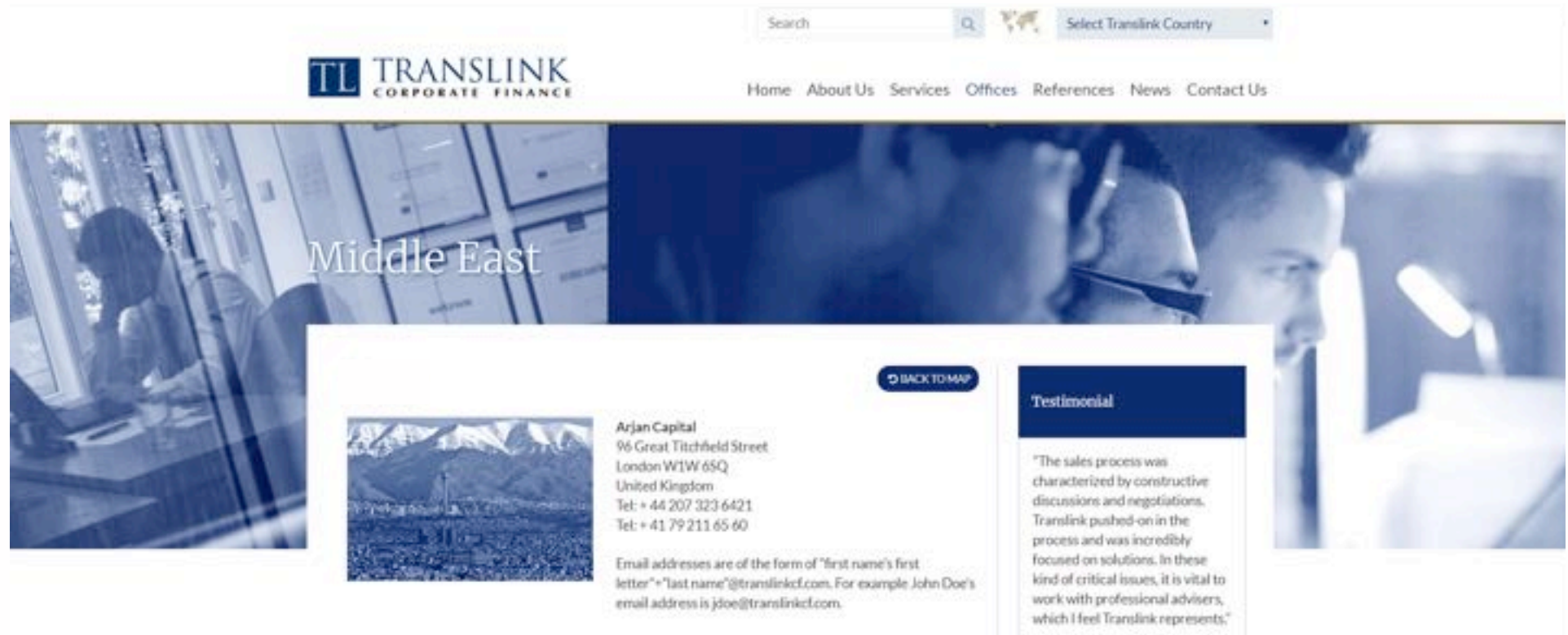
A prime example: AFGHANISTAN



Options for doing business in Frontier Markets

Option Size <small>(turnover p.a. with FM)</small>	Import via sale to 3 rd party European importer	Direct import to <u>independent</u> distributor	Direct import via <u>own</u> local distributor	Assembly in local country	Manufacture in local country
Micro <small>(≤ 2 million)</small>	Giving away part of the margin, and losing all of the local issues	Depending on size of individual transactions	Unlikely	✗	✗
Small <small>(≤ 10 million)</small>	As above; to be considered for low margin products	Margins permitting	Depending on future strategy	Depending on ability to source local content	✗
Medium <small>(≤ 50 million)</small>	Unlikely	✓	✓	Depending on ability to source local content	Depending on future strategy
Large <small>(> 50 million)</small>	Unlikely	Yes, if low volume sales per product/distribution channel	✓	✓	✓
V Large <small>(> 1 billion)</small>	Unlikely	Yes, if low volume sales per product/distribution channel	✓	✓	✓

Mergers, Acquisitions, Investments



The screenshot shows the Translink Corporate Finance website. At the top, there is a navigation bar with a search bar, a globe icon, and a dropdown menu for "Select Translink Country". Below this is the Translink logo and a navigation menu with links: Home, About Us, Services, Offices, References, News, and Contact Us. The main content area features a large blue-tinted image of two people working at a desk. Overlaid on this image is the text "Middle East". Below the image, there is a section for "Arjan Capital" with contact information: 96 Great Titchfield Street, London W1W 6SQ, United Kingdom, Tel: +44 207 323 6421, and Tel: +41 79 211 65 60. A "BACK TO MAP" button is also present. To the right of the contact information is a "Testimonial" section with a quote: "The sales process was characterized by constructive discussions and negotiations. Translink pushed-on in the process and was incredibly focused on solutions. In these kind of critical issues, it is vital to work with professional advisers, which I feel Translink represents."

Europe Corporate Finance



In partnership with First Berlin, a leading independent research and securities brokerage house for European small and micro caps

First Berlin – Executive Summary

- Established in 1998 to service European small and micro caps
- Bring them to the attention of domestic as well as foreign institutional investors
- Independent equity research and valuations provided for more than 270 companies

Strong Client Relationships

- Long established client relationships
- Coverage of more than 30 companies and several advisory mandates

Strong partners & representative customers

- DZ Bank, Frankfurt; mwb fairtrade Wertpapierhandelsbank AG; Hauck & Aufhauser, Frankfurt; Donner & Reuschel, Hamburg; Steubing AG, Frankfurt; Evenburgh Capital Consult GmbH; Resource Trading Group RTG Deutschland GmbH

International multilingual team

- German, English, Hebrew, Irish, Indian, Russian, Spanish

Corporate Finance Consulting

We advise companies, together with our partner First Berlin, on all possible aspects of corporate finance. With an extensive network of institutional investors, private equity firms, family offices etc, we are able to advise on how to raise equity or debt and organize investor access through roadshows and conferences. ([First Berlin home page](#))

Capital Markets

We provide services to corporate clients in the primary and secondary markets together with our partner First Berlin. We help to execute block trades both for institutional investors and corporate clients. We also organize deal- or non-deal-related roadshows to raise capital and/or the profile and recognition of our corporate clients. Independent advice on potential carve-outs or the sale of business units can also be provided.

Research

Our partner First Berlin AG helps SMEs to raise their profile by supplying corporates with independent research. First Berlin provides independent equity research and market intelligence to banks, asset managers and other institutional investors on small and micro-cap companies in a variety of sectors. The principles of integrity, transparency and competence drive their research and provide the basis for a fair analysis and valuation of companies. For research reports, please follow this link ([First Berlin Research](#))

Comprehensive company reports and comments

Market and competition analysis

Company valuations

Stock recommendations

Pre-IPO valuations

Private Equity and Venture Capital valuations

International roadshows (Europe and US)

Distribution targeted at investors in German SMEs

- Global distribution list of institutional investors for each industry sector with readership lists generated each month
- Research published on own online portal as well as on Bloomberg, Thomson Reuters, DGAP, Capital IQ, and FactSet
- Research reports read by over 2,5000 institutional investors i.e. banks, asset managers and investment brokers (including Fidelity and Invesco)
- Investment recommendations available through major financial portals (i.e. aktiencheck.de, onvista.de, etc.)
- Reports cited in the financial media including Borsenzeitung, der Aktionar, Euro am Sonntag, Handelsblatt, FAZ, Wirtschaftswoche

Research Coverage

- 2G Energy AG
- ABO Invest AG
- ABO Wind AG
- ad pepper media International N.V.
- Almonty Industries Inc.
- Aroundtown Property Holdings Plc.
- aventron AG
- CR Capital Real Estate AG
- Cyxone AB
- Deutsche Biotech Innovativ AG
- Deutsche Rohstoff AG
- Energiekontor AG
- Epigenomics AG
- European Lithium Ltd
- Expedeon AG
- FCR Immobilien AG
- Formycon AG
- Godewind Immobilien AG
- Golden Dawn Minerals Inc.
- Grand City Properties S.A.
- HAEMATO AG
- ITM Power plc
- Klondike Gold Corp.
- M1 Kliniken AG
- Mologen AG
- MPH AG
- Noxxon Pharma AG
- OpenLimit Holding AG
- Paion AG
- Pharming NV
- PNE Wind AG
- PSI Group AG
- Pubility AG
- Sektkellerei Schloss Wachenheim AG
- SFC Energy AG
- Valneva SE

Example Transactions

Balda AG
Block Placement: €+50MM
Advisory 29.7%

Balda AG

EnergieKontor
seit 1990

Energiekontor AG
Block placement: €44MM
(20% of the company)

Deutsche Rohstoff AG
Consortium Member
Capital Increase: €12MM
Capital Increase: €10.8MM
Senior Bond: €55.3MM

Deutsche Rohstoff AG

MOLOGEN AG

Mologen AG
Consortium Member
Capital Increase: €28.3MM

Pharming NV
Consortium Member
Capital Increase: €12MM
Capital Increase: €16.6MM
Capital Increase: €12MM
Capital Increase: €14.7MM
Capital increase: €110MM

PHARMING

HAEMATO

Haemato AG
Sole Advisor PP: €7.4MM

epigenomics

Epigenomics AG
Consortium Member
Capital Increase: €6.8MM
Capital Increase: €5.5MM

PNE Wind AG
Soft Underwriting (via clients)
Senior debt top up: €33MM

PNE WIND

formycon

Formycon AG
Sole Advisor PP: €13MM
Sole Advisor PP: €12MM
Sole Advisor PP: €6MM

The Arjan Team



Andreas Schweitzer – Managing Director



EDUCATION

IMD, Lausanne, Switzerland 1995/96
London School of Economics 1981/82
ESC, Neuchatel, Switzerland

PROFESSIONAL MEMBERSHIPS

Young Presidents' Organisation (YPO)

Member, Strategic Committee
YPO Doing Business Globally Network
YPO Doing Business in Iran Network

Founder & Chairman,
YPO Renewable Energy Network

BOARD MEMBERSHIPS

Bourne Park Capital, London
Anglo Energy Refinery Corporation, Switzerland
Other SME Board Memberships

LANGUAGES

German, French, English, Spanish,
working knowledge of Italian

Honorary Senator

Wirtschaftskomitee Deutschland e.V. (WBA)
Bundessenat für Wirtschaft und Technologie®
European senate to promote economy and technology

A Swiss national, Mr. Schweitzer is a CEO with expertise in start ups, SME's and frontier markets business development, Mr. Schweitzer has lead IPO processes across renewable energy and innovative technologies sectors. Experienced in identifying market opportunities, Mr. Schweitzer has a strong focus on capital raising, business development and exit strategies.

Mr. Schweitzer serves as an advisor to the trade and commodity division of Metallco International Ltd, a 40-year-old industrial merchant company specializing in automotive/rail, power generation, offset- and counter trade. Since 2009, Mr. Schweitzer has had an active presence in Iran, advising international industrial and investment companies targeting the Iranian market, as well as facilitating sanctions-compliant industrial and commercial activity. Mr. Schweitzer is a member of a Swiss-Iranian investor group that procured licenses for wind farms in Iran.

In 2004, Mr. Schweitzer co-founded a company that developed a hydro-electronic power drive systems for mid-sized, on- and off-grid wind turbines. Previously, Mr. Schweitzer created and managed a US\$ 200 million market-timing fund; and has held management positions at Jacobs Suchard (now Kraft Foods Schweiz AG), in France, Panama, Switzerland, India and the UK.

Mr. Schweitzer has been a founding partner of startups and served in executive roles in international banks European asset management firms including A. Sarasin & Cie (1980-1983) Jacobs Suchard AG(1984-90) and Kenk & Schweitzer Associés (1990-1994). Mr. Schweitzer serves on a number of SME boards of directors and is actively involved in the Young Presidents' Organization (YPO).

Arjan Core Team



Andreas Schweitzer
Managing Director



Masee Safi
Central Asia Desk



Holger Schmidt
European Equity Sales



Robin Butler
Analyst



Lanna Grigoriyan
Operations



John Hemmant
Compliance

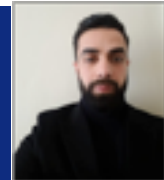
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