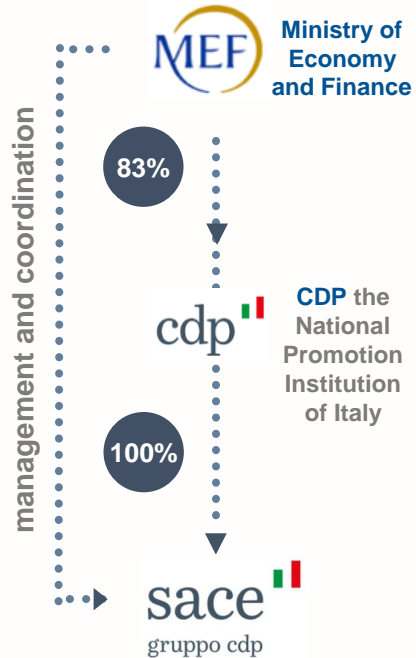


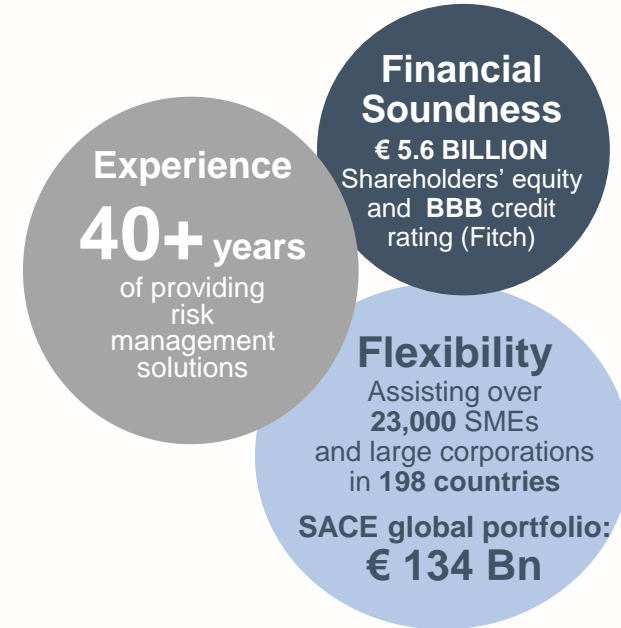
SACE – Official Export Credit Agency of Italy

SACE Mumbai Office – India & South Asia

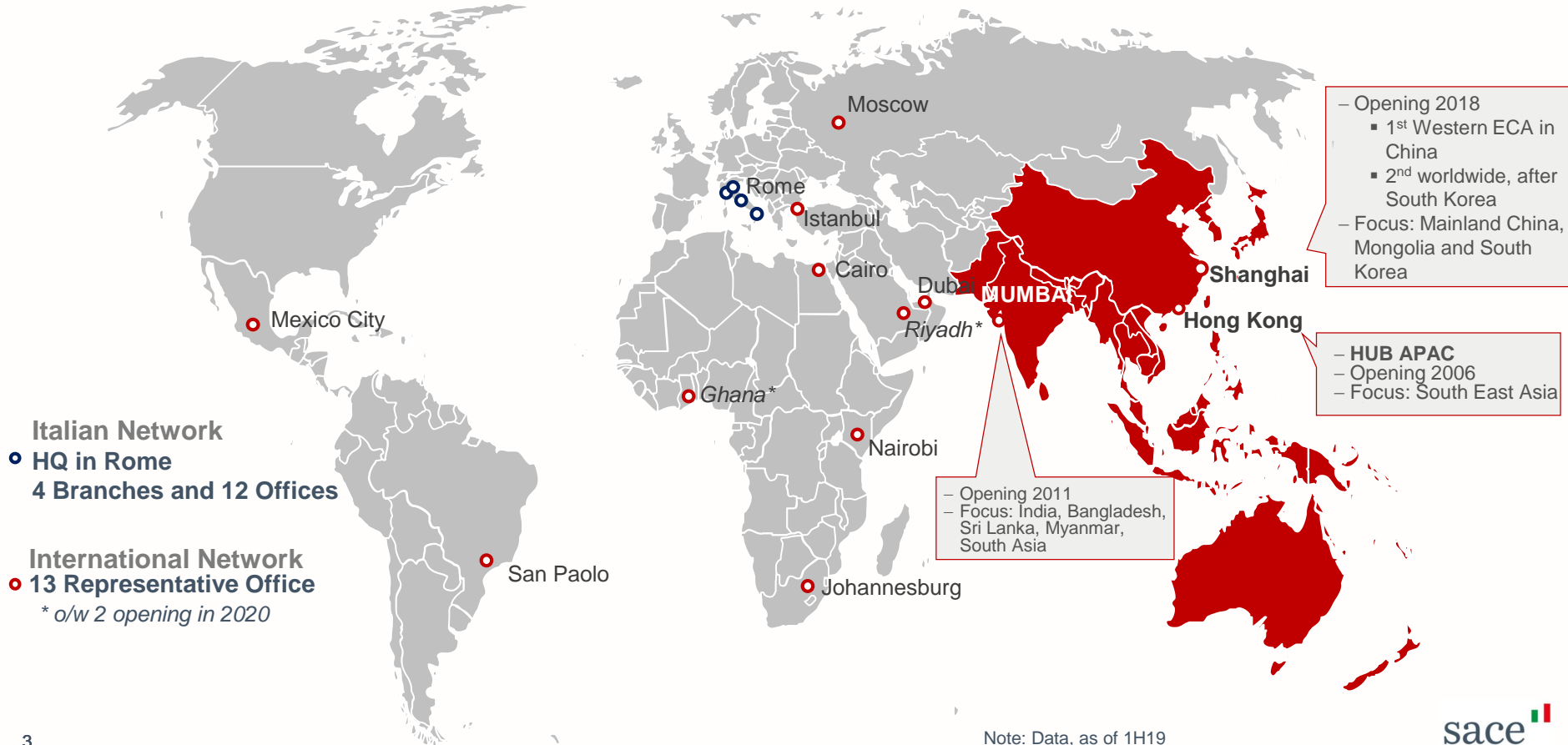
SACE: the Internationalisation Partner of Italian Companies



- SACE is the official **Export Credit Agency (ECA)** of Italy, ultimately owned, through Cassa Depositi e Prestiti (CDP), by the Italian Ministry of Economy and Finance (MEF). From 2020, SACE has come under the direct control and co-ordination of the MEF
- Offers **insurance and financial services** and integrated solutions to support **Italian export and FDIs**, including providing soft-loans to Italian companies through **Simest**
- 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

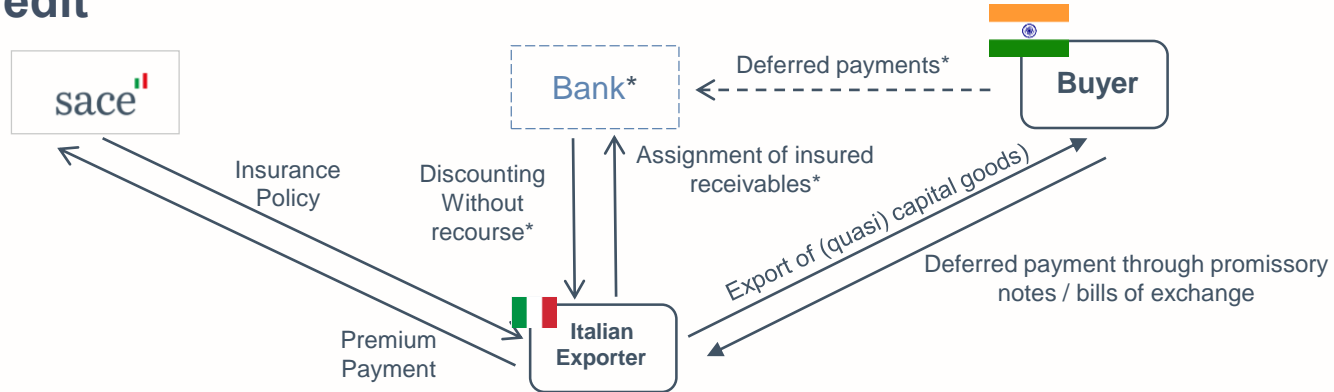
1st country in the World for make-up production (55% of global market)



Yachts

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

Supplier's Credit



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

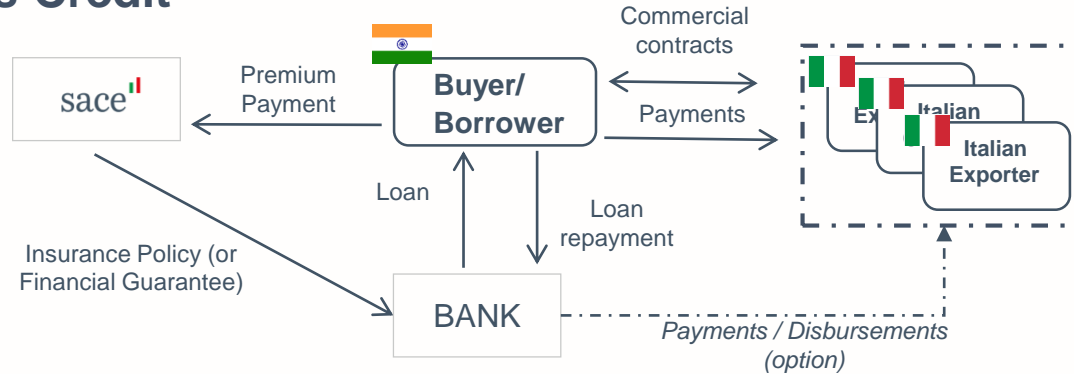
- A competitive financing solution that supports Indian buyers in getting access to deferred payment contracts when purchasing capital goods from Italy. Alternative option to the conventional L/C
- **No impact on existing credit lines** already available with banks
- **Extended terms of payment up to 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*

(Multi-tied) Buyer's Credit



Subject to OECD
Consensus for
Export Credit

HOW IT WORKS

- **SACE facility amount can reach up to 85% of the Italian eligible Export Contract Value** (plus an additional 30% of ECV for local costs). Mandatory 15% down payment of ECV.
- **SACE guarantee covers up to 95-100% of the facility amount** (and interests) against political and commercial risks
- **SACE premium can be entirely financed**
- Possible refinancing of export contracts (< 24 months old) which have been already completely executed and suppliers have been paid in full

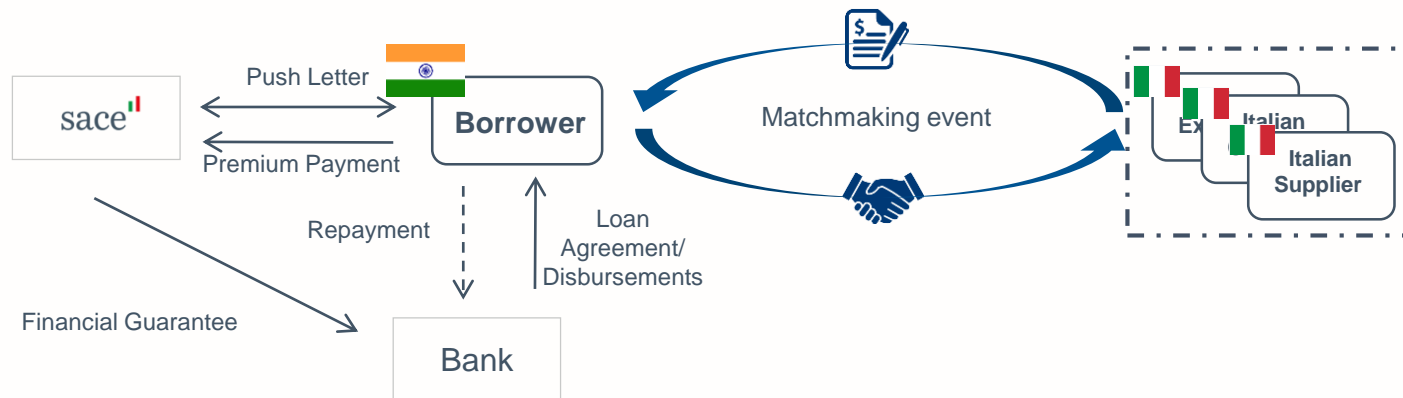
BENEFITS FOR BUYERS

- Support Indian buyer in getting access to **M/LT Financing of procurement of capital/semi-capital goods** from Italian exporters/contractors
- Possible to **include contracts still under negotiations**
- Borrower may also benefit from fixed interest rate through an interest make up agreement (fixed CIRR rate)

HOW TO ENGAGE

- The buyer provides **details of project / new contracts** to be financed, and refinanced (if any) and **latest financial statements**
- SACE and the Bank coordinate to verify eligible contracts, local costs (if any) and structure the facility
- **Buyer's credit can also be arranged in simpler form, financing one (or more) contract with only one Italian exporter**

Push Strategy



NOT subject to OECD Consensus

HOW IT WORKS

- **General purpose corporate loan (UNTIED)** aimed at encourage procurement from Italian suppliers
- **Borrower will sign with SACE the Push Letter**, an agreement regarding i) target amount of procurement from Italy to be reached, *on a best effort basis*, ii) **possible economic incentive** recognized by SACE to the Borrower in case the 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 , but can be utilized for Capex, Opex, Working Capital, etc.
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. Borrower has to be able to sustain foreign currency financing (EUR or USD) and import, or willing to procure, significant amount of goods and services from Italian companies during the life of financing

	Supplier's Credit	Buyer's Credit <i>(Corporate)</i>	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 not 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's Credit

2019 India



Reliance
Industries Limited
Growth is Life

USD 500 Mn
Guarantee
Untied / Push Strategy

2018 India



SREI
Together We Make Infrastructure Happen

EUR 53 Mn
Guarantee
Untied / Push Strategy

2016 - 2018 India



Deshbandhu Group
দেশ ও জনগণের বন্ধু

EUR 4 Mn
Insurance Policy
Supplier's Credit

2018 Bangladesh



Biman
BANGLADESH AIRLINES

USD 250 Mn
Guarantee
Aircraft Financing

2018 Bangladesh

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