CLEANTECH
CAPITAL ADVISORS

Bridging the VC/Start-up Gap

Arabian Venture Forum – November 21, 2016

WHO WE ARE (CLEANTECH CAPITAL ADVISORS)

Expertise in Cleantech and Resource Efficiency

- **Corporate finance advisory** firm providing Strategic, Capital Raising and M&A (buy/sell) advice
- Despite sector challenges, CCA was established with the conviction that there is a large number of very exciting emerging companies and investment opportunities in the space
- 25+ years global technological, industry, strategy & financial experience in Cleantech & Resource Efficiency
- **Focus on equity (enabling technologies)**

Strong relationships with cleantech investors and industry participants

- Key relationships with **international** cleantech / resource efficiency oriented public equity, private equity, venture capital, senior debt and project finance investors
- Longstanding relationships with **leading corporate participants** (pure-play, conglomerates)
- **Based in London City** but counterparty reach and transaction experience in **Continental Europe**; CCA can also project clients into other geographies

Senior-level dedicated attention throughout transaction process

- Clients receive **dedicated attention of a senior CCA executive** throughout the entire process
- CCA can fully prepare our client with all relevant sales and marketing materials, including teasers, management presentations, information memoranda, models, roadshow coaching and rehearsals, and due diligence review materials that are ready for a potential counterparty

Putting our clients first

- We provide a **full suite of advisory services** from pre transaction to closing. You can choose only the tasks you need or have the entire process managed seamlessly
- CCA uses its extensive knowledge of relevant and active cleantech-oriented investors & corporates to ensure its clients find the best strategic and financial outcome

WHAT AN ADVISOR IS SUPPOSED TO

INVESTABLE CLEANTECH

	PV / Solar	Wind	Green IT	Energy Storage	Smart Grid / Meters	Bio-based	Energy Efficiency	Water Technology	Fuel Cells	Marine Energy	Sustainable Transport	Waste valorisation	Agritech	Renewable Heat
Components														
Materials														
Systems														
Software														
Services														
In-house / outsource														
Licensing														

Remember! Different investors like different things, but they are also the same …

INVESTOR / INVESTEE MATCHING

- ✓ Chemistry / Team
- ✓ Money
- ✓ Support
- ✓ Fundraising expertise
- ✓ Exit / Returns

- ✓ Chemistry / Team
- ✓ Fit to "criteria"
  - Sector
  - Stage / size
  - Geography
  - Time-to-exit
  - Lifetime funding
  - Co-investors
  - Strategy (CVCs)
- ✓ Exit / Returns

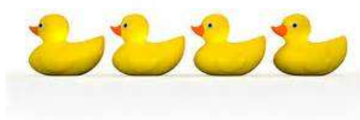
Make sure you "understand" the <u>individual</u> investor upfront

VCs looking for …

Hazards along the way

Strategic

- Large investment required before validation
- Solution not drop-in for entire value chain
- What do I want/need (money/strategic)?
- Is there a viable exit path?



Preparation

- All “angles” not covered
- Applicable addressable market sizing
- Insufficient process time (vs. 6-9mths)
- Poor financial model (drivers, sensitivity …)
- Undefined milestones
- Unrealistic appraisal of appeal

Engaging → Term Sheet

- Lead investor first
- CVC ≠ acquiror≠ customer
- Scatter-shot approach
- All eggs in one basket
- Signing Term Sheet too early
- “I’ll do it if you give us money”
- Keeping “secrets”
- No competitive tension

Closing / Deal

- No credible fall-back options
- Flexibility on deadlines
- Don’t support independent validation

YOU ARE UNIQUE, SO IS YOUR DEAL

CLEANTECH CAPITAL ADVISORS

Should you use an advisor?

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- Bandwidth
- Network & credibility
- Different perspectives (strategy)
- Fill skills gap
- "Market" intelligence
- Different capital pools

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- Direct cost
- "Shouldn't fundraising be a core competence?"
- Delegating "responsibility"

If you use one, do it "right":

- ✓ The right <u>advisor</u>
- ✓ For the right <u>reasons</u>
- ✓ In the right <u>way</u> (role, incentives …)

Dedicated to Cleantech & Resource Efficiency growth

Ben Lynch
Founder & Managing Partner

Tel.: +44 7852 211 278
ben.lynch@cleantechcapitaladvisors.com
Skype: ben.lynch-jbl

15 Old Bailey
London EC4M 7EF
United Kingdom