



JEBSEN & JESSEN

Financial Solutions

Guideline



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Jebsen & Jessen

At a Glance



Jebsen & Jessen Family Enterprise - At a Glance

Global Presence



7,100
employees



80
countries



€2,1 bn
assets



€3,1 bn
turnover



Jebsen Hong Kong

Consumer • Industrial • Beverage •
Motors • Logistics • Capital

Jebsen & Jessen Hamburg Group

Textiles • Chemicals • Garnet • Industrial Services

Jebsen & Jessen South East Asia

Cable Technology • Ingredients • Life Sciences
• Material Handling • Packaging • Technology

GMA Garnet Group

Mining • Processing • Recycling

Triton Textile Group

Textiles

JPJ Invest

Investment

Jebesen & Jessen - At a Glance

Development History



Jacob Jessen and
Heinrich Jessen co-
found Jebesen & Co
1895



Re-establishment of
the trading house in
Hamburg after WWII
1951



Jebesen & Jessen (SEA)
ASEAN
1963



GMA Garnet (Europe
GmbH) is founded for
garnet sand distribution
1991



Acquisition of L.E.G.
for textile logistics
integration
2007



Acquisition of a majority
stake in Brands Fashion
2016



International branches are
established in Argentina,
Panama and USA
2017

1909

Jebesen & Jessen
Hamburg,
Germany



1960s

Triton Textile was
established



1984

Jebesen & Jessen
Hamburg changes to a
limited partnership



2001

Garnet Int. Resources
acquires sand mine in
Australia



2011

Acquisition of Ruhr-Petrol
for petrochemical
distribution



2016

New group structure is
established



2020

Acquisition of Ferrostaal
Equipment Solutions GmbH and
Ferrostaal Metals GmbH





Jebsen & Jessen

Financial Solutions

Jebsen & Jessen Financial Solutions

Expertise and Awards



The Financial Solutions Division was established over 60 years ago as an in-house financing arm for the trading activity of the company. Our activities quickly expanded beyond in-house financing solutions and today we are:

- An independent specialized service and solution provider for **Structured Export Finance Transactions** with **decades of experience**
- We have successfully completed **hundreds of projects** on ECA (Export Credit Agency) and PRI (Private Risk Insurance) covered basis
- Our dedicated **Export Finance Specialists** are located in Germany, France, Latin America and South-East Asia, they are supported by our specialized teams from **Procurement, Project Execution, Legal and Credit Management**, centralized in Germany
- Jebsen & Jessen Industrial Services and its subsidiaries have won several awards over the past years. Especially our knowledge and performance in
 - **Multi-Sourcing** transactions,
 - **Hybrid-Financing** and
 - our activities in **challenging markets**

are recognized by the global export finance community.



Jebsen & Jessen Industrial Solutions

Team Structure



Management Team – Ralf Schwarzhaupt and Dr. Manuel Probst

Jebsen & Jessen Industrial Solutions – Financial Solutions with a focus on ECA covered structures

Team of approx. 30 dedicated ECA specialists plus approx. 25 Back-Office specialists

Support for Export Finance Solutions and Project Financing Structures incl. Legal and Credit Management and full execution of transactions centralized in Germany



Sales Team

(Alexandre Fontanaud, Managing Director JJIS France SAS, Director Sales Latin America & Africa)

- Alexandre and his colleagues have a network of Advisors and Agents around the globe
- Relationship Management with the client
- Negotiation of sales conditions

Project Execution & Contracting

(Juri Diener – Head of Project Execution and Contracting)

- Juri heads a team of 13 specialists for Contracting and Order Execution
- Drafting of contracts
- Negotiation of purchases in line with ECA covered loan
- Coordination of Deliveries



Export Finance / Project Finance and Renewables

(Nadine Holzhausen – Head of Export Finance / Chistian Bockler – Director Project Finance and Renewables)

- Nadine and Christian head teams with a total of 7 ECA specialists (mainly in Germany)
- Structuring of ECA-covered loans incl. applications
- Advising on ECA and loan utilization incl. revision of documents
- Project/ Structured Finance (primary or partly cash flow based)
- Financing structures based on various financing instruments and institutions

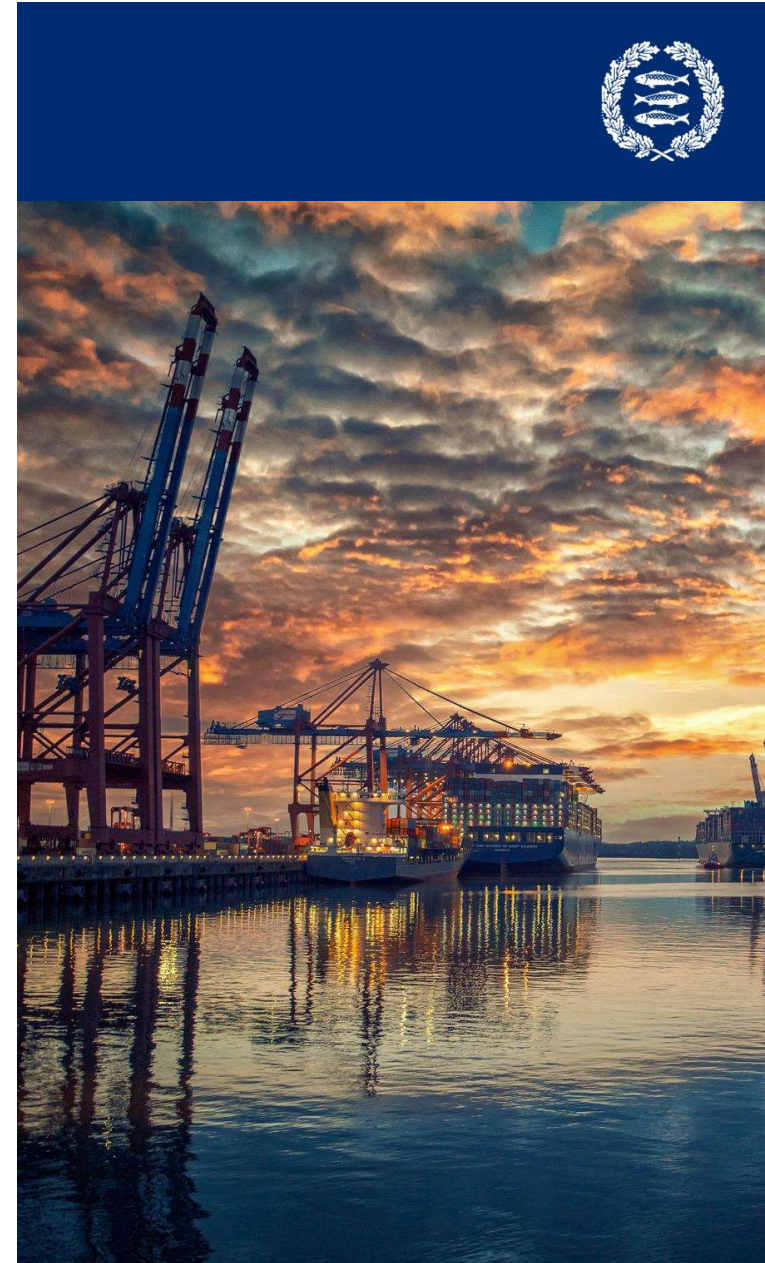


Targets and Strategic Positioning

Export finance solutions covered by ECAs worldwide

- Service provider for **importers** and **investors** around the globe
- Service provider for **banks, financial advisors** as well as **industrial and trade associations**:
 - Constantly increasing demand to involve JJFS as General Exporter / Consolidator into projects; focused on transactions with numerous OEMs from various countries
 - Banks and financial advisors are looking for the involvement of JJFS as General Exporter / Consolidator in order to support their key accounts in international business with attractive financing solutions
- Service provider for **OEMs** (Original Equipment Manufacturers):

JJFS is intermediary for numerous machinery and plant manufacturers and suppliers. Besides focusing on technical solutions, there is a growing demand for financing expertise



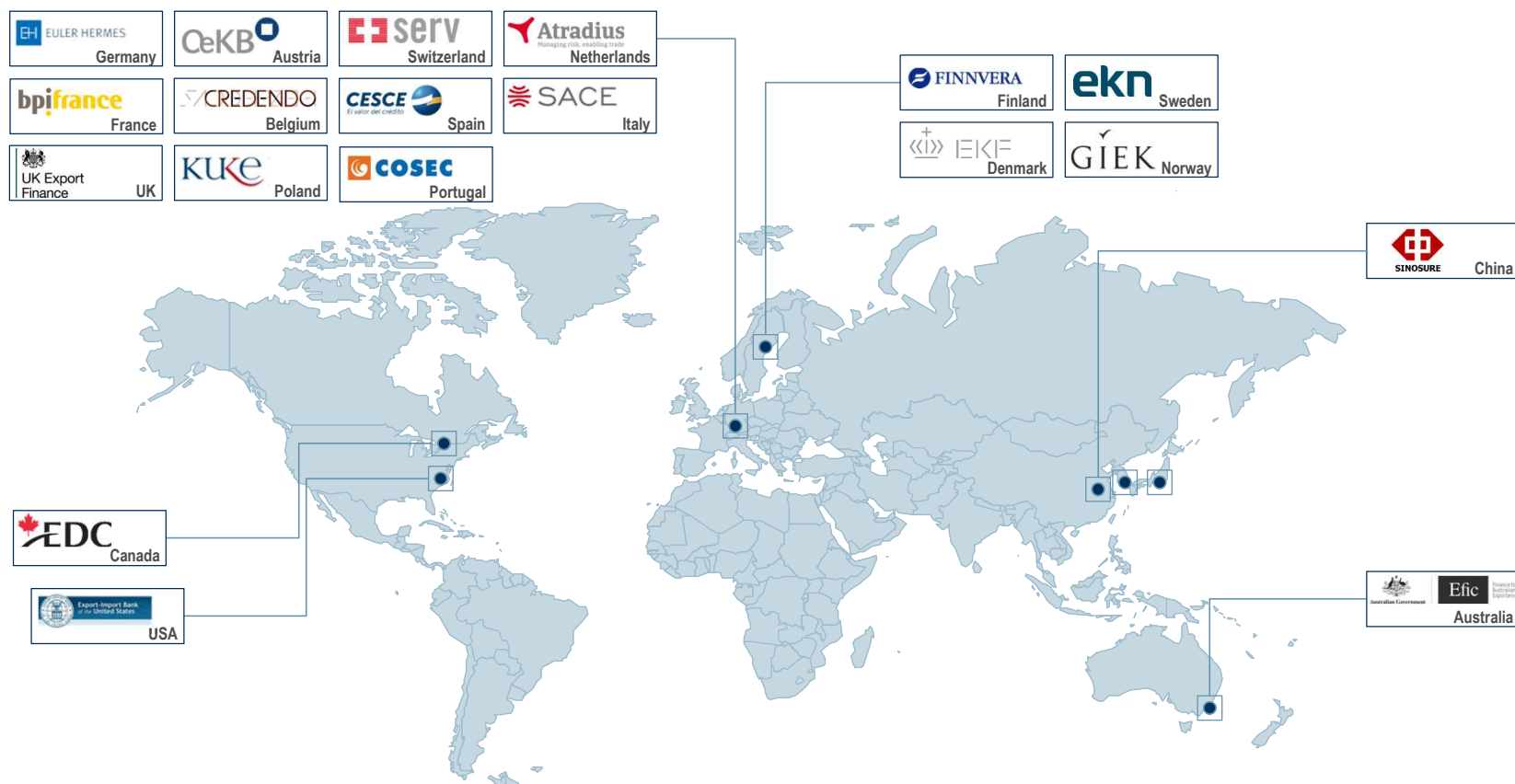
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Excellent Relationships with International Banks



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Excellent Relationships with Major ECAs



Opportunities for cooperation with  and 

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Long-term Debt Financing



- You have to plan and arrange the financing for long term investment projects?
- You would like to advise your client on long term investment projects?
- You have to find solutions for CAPEX investments on a regular basis?

Refinancing Products



Common financing solutions:

- Bilateral credit line
- Revolving syndicated loan (RCFs)
- Bond issuance
- Private Placements



Alternative or supplementary solution:

- ECA covered loan





Advantages and benefits of ECA covered loans compared to other financing solutions:

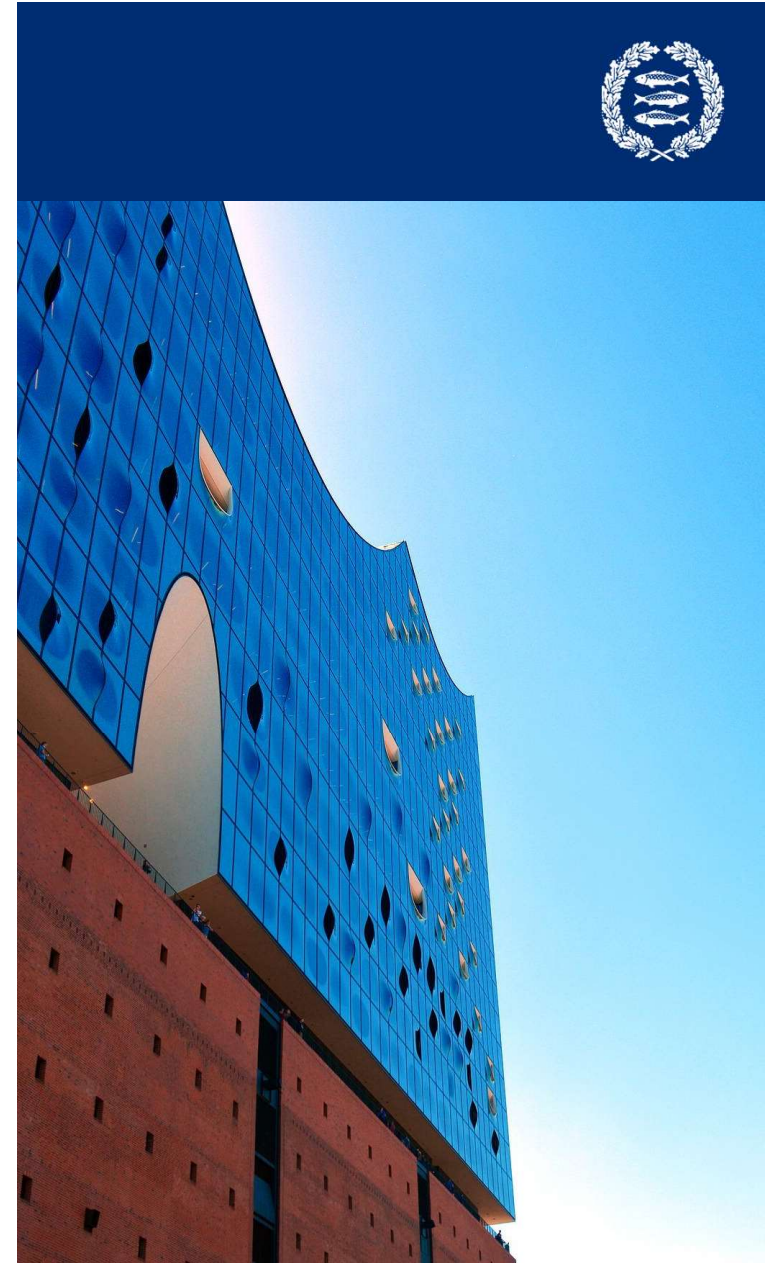
ECA covered loans

*Tailor-made solutions in line with
underlying commercial contract*

- **Longer tenors** (up to 18 years)
- **Grace period & drawings following the project execution** (lower cost carry)
- Usually **Lower interest expense**
- **Financing of 85% of imported equipment** (plus some local content)
- **Risk transfer on ECA cover, reduced Bank balance sheet use, allowing larger amount to be financed**
- **Introduction of new banks to portfolio**
- **Pari-passu covenants only** (usually with comparable existing loans)
- **Negative pledge or pledge on the imported equipment only**

General Requirements for ECA Covered Financing Solutions

- **Company profile** (website or company presentation showing the business activities)
- **Financial information of the last 3 years** according to IFRS (in selected cases local accounting standards accepted) with **satisfactory KPI** as basis for a credit decision by the financing bank
- **Short project / investment description**
(project details; expansion; main target of the investment; short description of market strategy)
- **List of the equipment** to be imported and financed;
general amounts and mix of origin needed only, however this should include information on local content as well
- **Please note! A down payment of 15 % of the total contract value** of the underlying commercial contract is mandatory for ECA covered financing



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One-Stop Solution





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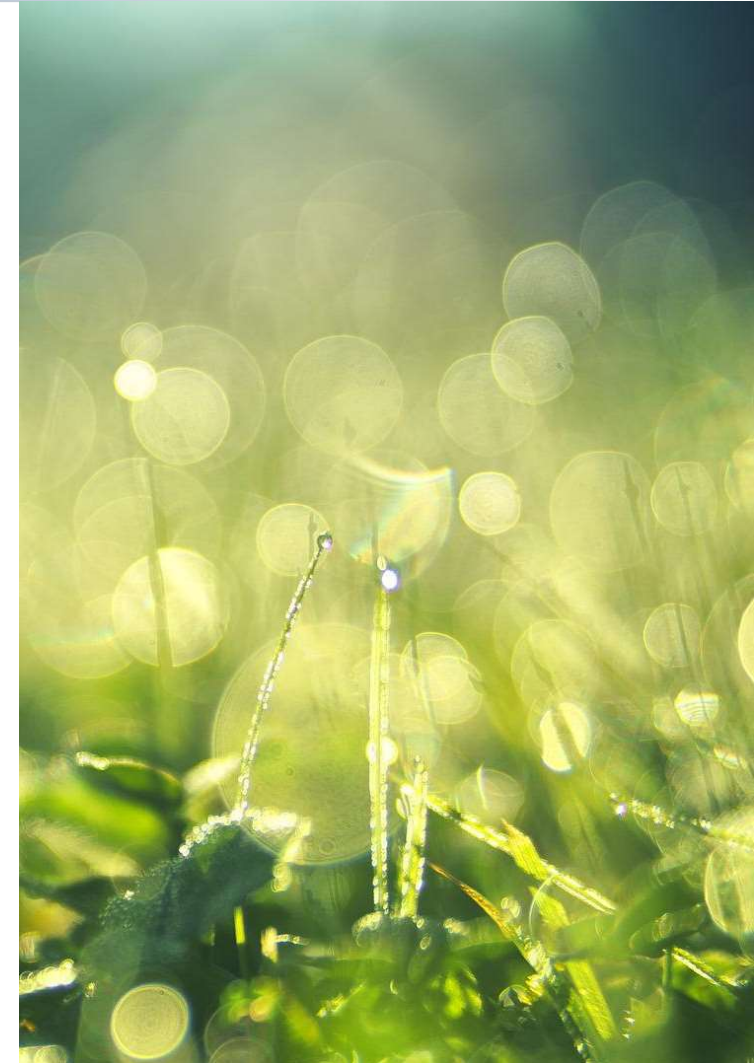
Our Services

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USPs

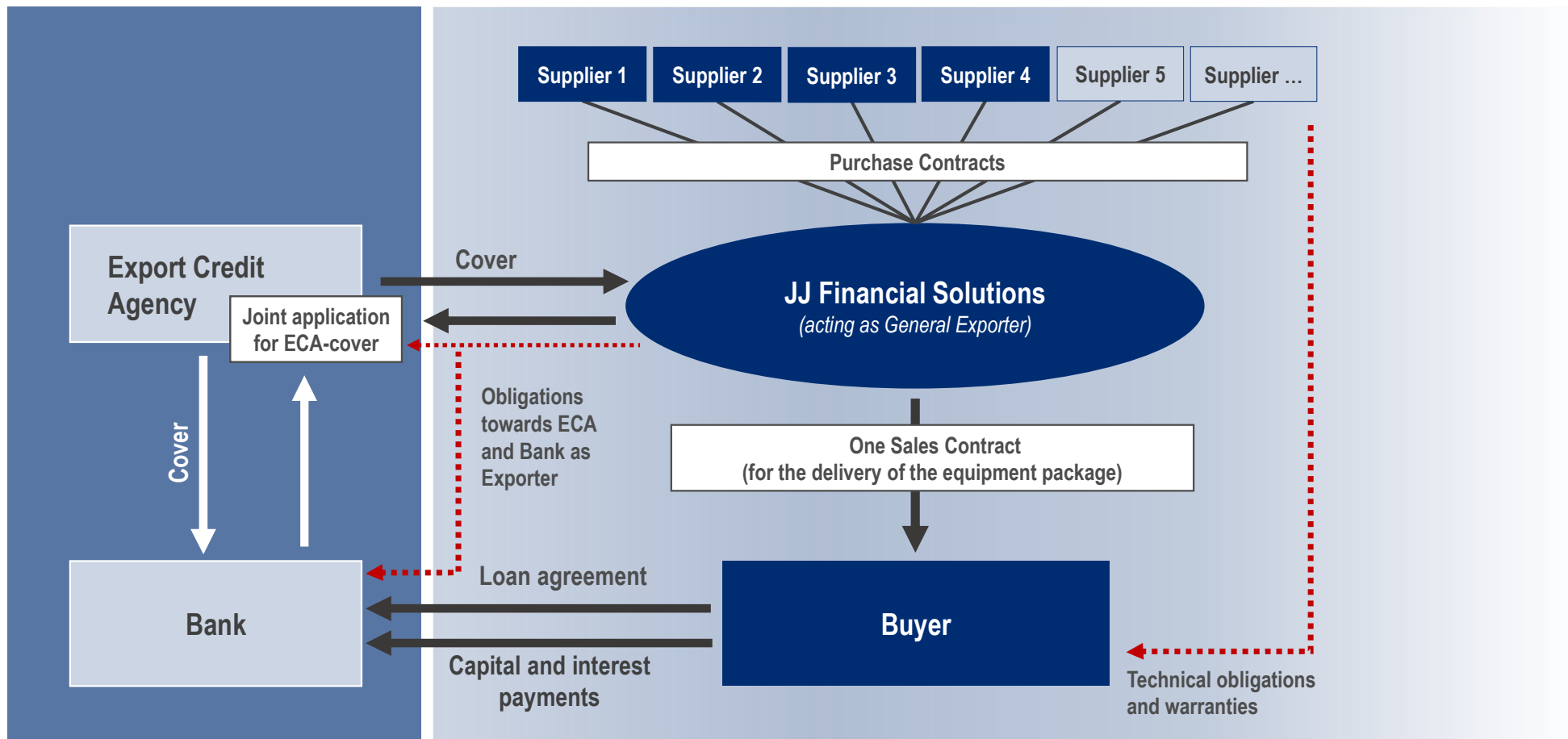


- JJFS structures and executes **ECA covered financing solutions** for long term investments
- **Technology and OEM independent provider of financial solutions** based on ECA / PRI coverage
 - Well experienced ECA financing experts
 - Excellent relationships with international reputed and well-respected banks
 - Covering all leading ECAs around the globe
- **One-Stop Solution offered for trade flows and investments around the globe**



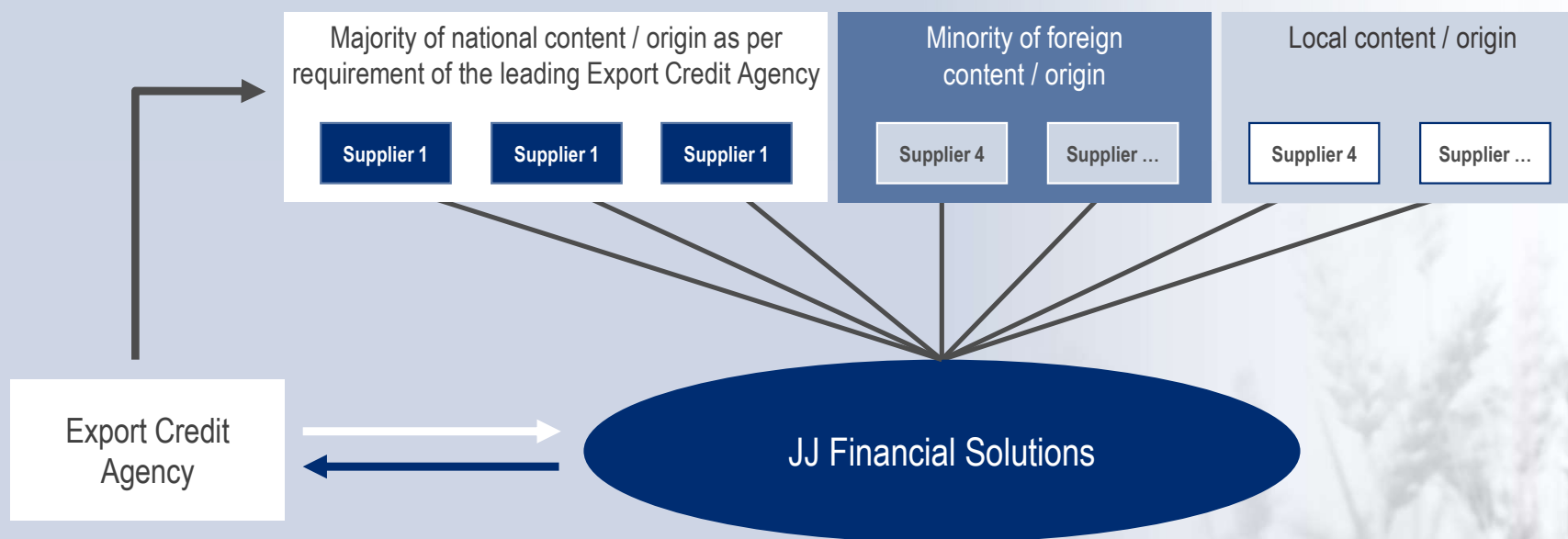
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Business Model Scheme - with guarantees



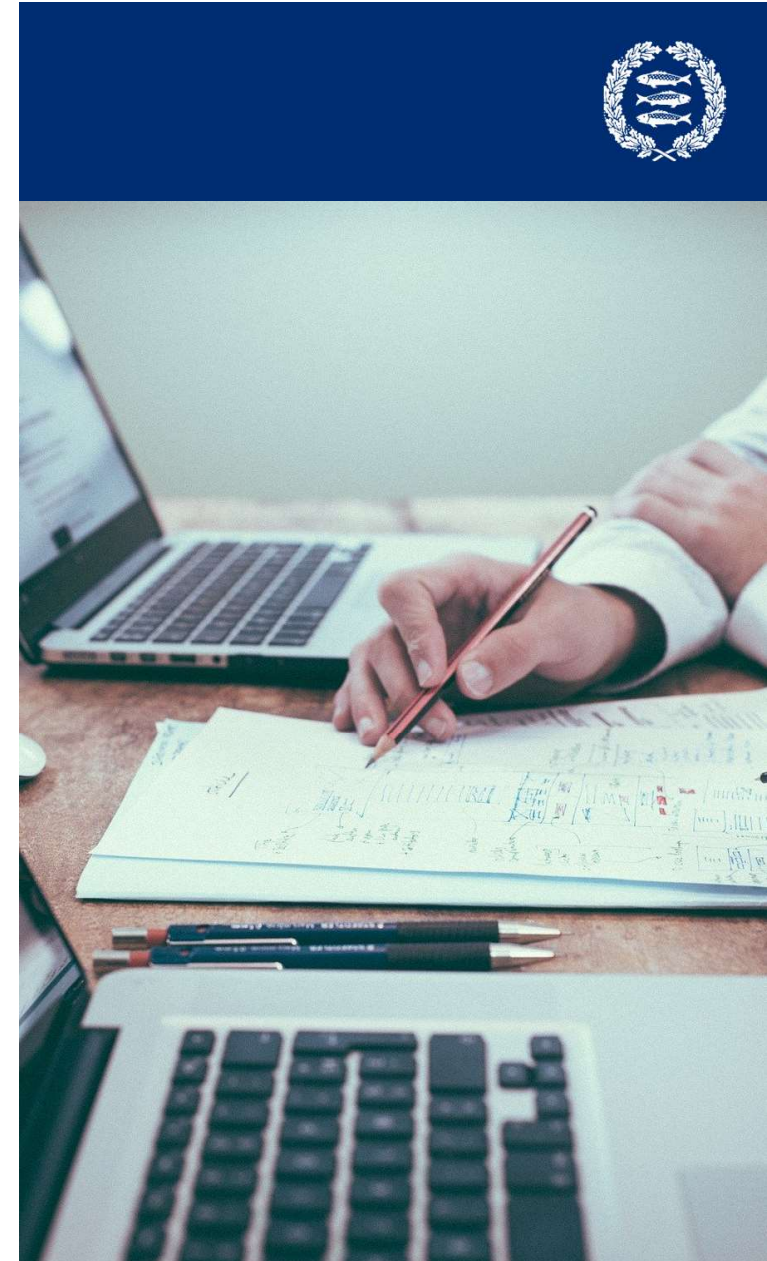
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Split of origins / local content



Our Services as General Exporter and Consolidator

- Consolidating several foreign suppliers under one JJFS (General) Export Contract allowing to have one credit facility with public insurance through Export Credit Agency (ECA) cover, making the project bankable:
 - reaching a minimum amount acceptable by Banks for ECA financing
 - allowing long-term Credit thanks to commercial & political risk cover by the ECA
- Structuring and preparing the project to allow the best procurement design with each respective ECA:
 - executing ECA application process
 - financial coordination with the respective ECAs and Bank
- Executing all purchase contracts following a sales contract according to Swiss Law:
 - concluding purchasing contracts with each equipment manufacturer
 - concluding one sales contract with your Company
- Providing logistical services by sea, land and air / including them in the financing
- Negotiations in English, German, French, Spanish, Portuguese, Russian and Chinese possible



Our Services as General Exporter and Consolidator

No Intervention in :

- **In the technical procurement process** of the buyer and in his decision on the selection of the “right” technology and its pricing
- **In warranties and performance guarantees** to be given by the manufacturer(s) to the buyer
- **In delivery schedule and logistical services** (unless explicitly requested and agreed upon)

Your Benefits:

- ▶ Making the project bankable: reaching the minimum size for ECAs use
- ▶ Multiple suppliers but ONE sales contract only
- ▶ ONE loan agreement
- ▶ Possibility to aggregate imported equipment CAPEX over up to 2 years
- ▶ Maximized amount & tenor of financing to support your investment



Our Services as General Exporter and Consolidator

Warranties and Obligations:

- JJFS is concluding purchasing contracts with each equipment manufacturer and one sales contract with the buyer according to Swiss law which is widely accepted in international business
 - Thus, warranties and obligations are concluded directly between manufacturer(s) and buyer
- Technical specifications / agreements between manufacturer(s) and buyer form an integral part as respective annex of our sales contract in order to reflect the corresponding warranty and obligation relationships
 - **Benefit for the manufacturer and the buyer:** direct handling of warranties and obligations
 - **Benefit for the bank:** JJFS has no intermediary function in technical and guarantee matters between manufacturer(s) and buyer; therefore, no need for extensive guarantee facilities to be granted by ECA financing bank to JJFS



Equipment manufacturer's benefits and added value for involving Jebsen & Jessen Financial Solutions

- JJFS develops and implements **financing concepts** for export finance solutions which are independent from product technologies
 - Realization of projects not only by technical competence, but also by providing tailor-made financing solutions
 - Enlarging the overall project by involving JJFS and thus reaching minimum size for ECA covered loans
 - Realization of each manufacturer's individual project by financing a multi-manufacturer project and therefore having a competitive advantage
 - Each manufacturer will keep its individual brand name in the project
 - Risk mitigation by changing a (foreign) country risk into a (German) country risk under Swiss Law
- Supporting the manufacturer to **increase worldwide sales and strengthen own footprint** by using JJ Financial Solutions' expertise for export finance solutions.





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Case Studies

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Case study 1: ECA financing WITHOUT and WITH involvement of JJ Financial Solutions



Assumptions:

- Total Imported CAPEX: EUR 70,1 million
- 30 suppliers from Europe and Asia as well as substantial local content

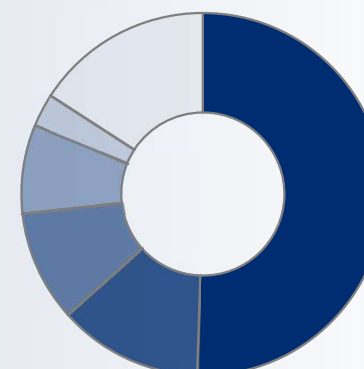


Germany (9 supplier)	Italy (4 supplier)
China (5 supplier)	France (4 supplier)
Taiwan (2 supplier)	Local (6 supplier)

The total investment will **only be partially eligible for ECA cover** due to:

- ➔ Too many suppliers: too small amounts / mix and diversity of origins
- ➔ **No ECA solution:** banks not prepared to conclude 30 individual loan agreements (one for each supplier) under ECA cover

One sales contract with JJ Financial Solutions

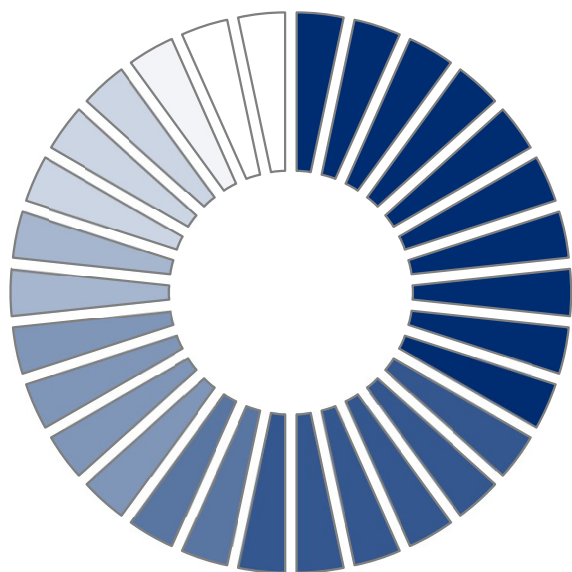


The total Imported CAPEX will be eligible for ECA cover by assignment of JJFS as general exporter. JJFS will provide a **One-Stop Solution!**

- ➔ Negotiating and preparing the complete ECA application
- ➔ Bundling ALL supplies under One sales contract, One ECA cover, One loan agreement
- ➔ Execution of all purchase through JJ Financial Solutions

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Case study 2: Total investment without involvement of JJFS (1/2)



Germany: EUR 42,7m	Switzerland: EUR 28,7m
Italy: EUR 12,5m	Taiwan: EUR 15,2m
Korea: EUR 7,8m	China: EUR 11,5m
Greece: EUR 4,8m	Local: EUR 8,9

Assumptions:

- Total investment: EUR 132,1m
- 31 suppliers from Europe and Asia; dominated by German, Swiss, Taiwanese and Korean origin as well as high local content

The total investment will **only be partially eligible for ECA cover** due to:

- Significant mix and diversity of origins
- Too many suppliers; banks not prepared to conclude 31 individual loan agreements (one for each supplier) under ECA cover
- Involvement of local content

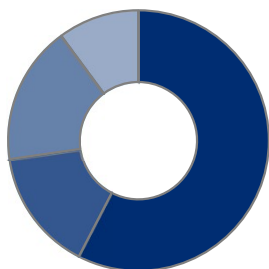
Commercial loans / local loans at higher interest rates with shorter tenor will become inevitable and thus increase cost for total investment

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Case study 2: Total investment without involvement of JJFS (2/2)

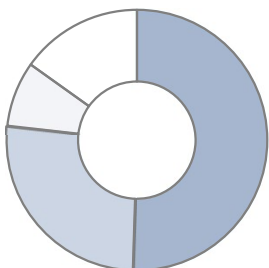


Tranche A: Euler Hermes



Germany: EUR 42,7m	China: EUR 11,5m
Italy: EUR 12,5m	Korea: EUR 7,8m

Tranche B: SERV



Switzerland: EUR 28,7m	Taiwan: EUR 15,2m
Greece: EUR 4,8m	Local: EUR 8,9

The total investment will be eligible for ECA cover by assignment of Jebsen & Jessen Financial Solutions as general exporter. JJFS will provide a **One-Stop Solution!**

Including amongst others:

- Consulting on structuring of financing
- Negotiation and preparation of the complete ECA application
- Bundling ALL supplies under TWO ECA covers and ONE financing bank
 - Tranche A: majority of German origin with Euler Hermes cover
 - Tranche B: majority of Swiss origin with SERV cover
- Execution of all purchase contracts through JJFS

Thus, obtaining ECA covered financing at more competitive interest rates with longer tenors!

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As General Exporter and Consolidator / Facilitator – Selection of executed projects



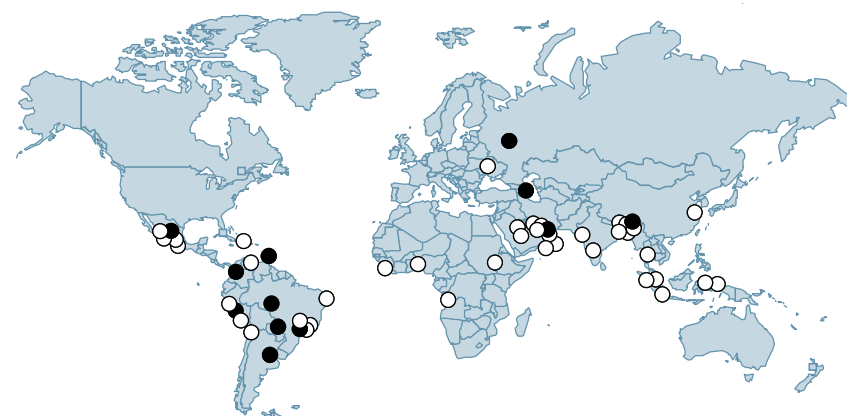
Medical Equipment	
Project volume:	> USD 5m
Packaged suppliers:	> 5
Buyer's country:	Dominican Republic

Bio Ethanol Plant	
Project volume:	< USD 10m (USD 65m)
Packaged suppliers:	< 10
Buyer's country:	Paraguay

Food Processing Machines	
Project volume:	> USD 40m
Packaged suppliers:	> 35
Buyer's country:	Argentina

Complete Line for Truck Tire Production	
Project volume:	> USD 150m
Packaged suppliers:	> 20
Buyer's country:	Russia

Textile/Spinning Line	
Project volume:	> EUR 10m
Packaged suppliers:	< 5
Buyer's country:	Mexico



Machinery Equipment for Packing Industry	
Project volume:	> USD 40m
Packaged suppliers:	> 5
Buyer's country:	UAE

Glass Coating Plant	
Project volume:	> EUR 20m
Packaged suppliers:	< 5
Buyer's country:	Colombia

Wind Energy Park, 50 MW	
Project volume:	> USD 120m
Packaged suppliers:	> 10
Buyer's country:	Azerbaijan

Textile Machinery	
Project volume:	< EUR 10m
Packaged suppliers:	> 5
Buyer's country:	Brazil

Bio Ethanol Plant	
Project volume:	< EUR 15m (USD 150m)
Packaged suppliers:	< 5
Buyer's country:	Brazil

Cranes/Mining Equipment	
Project volume:	< USD 10m
Packaged suppliers:	< 5
Buyer's country:	Peru

Machines for Pharmaceutical Industry	
Project volume:	> USD 50m
Packaged suppliers:	> 30
Buyer's country:	Bangladesh



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Your Contact

Jebsen & Jessen Financial Solutions

In cooperation with



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Provides...

✓ concrete solutions to your investment needs

Through...

✓ advice and management of financing programs

For...

✓ international credit agencies and institutions.



Jebsen & Jessen Financial Solutions

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For more information see:

<https://www.jebsenjessenfamilyenterprise.com/>

The Groups Sustainability Report:

<https://www.jebsen-jessen.de/nachhaltigkeitsbericht-2020/>

