THE FINANCING AGENCY FOR SOCIAL ENTREPRENEURSHIP

An initiative by Ashoka Germany

Overview

Where passion for impact meets capital to scale

FASE is building bridges between social enterprises and investors to successfully scale proven business models with positive, measurable impact

What we stand for

FA&E

Our mission	Actively contribute to a thriving pan-European ecosystem for social innovation	Improve the financing conditions for positive impact by eliminating roadblocks
Our value add	Match outstanding social entrepreneurs with the right type of investors and support both sides by acting as a trusted and professional advisor during the entire transaction process	
How we support social enterprises	We advise our clients how to make their business models investment-ready	We moderate the entire transaction process from A to Z and approach suitable investors
What we offer to investors	Private and institutional investors receive access to a targeted pipeline of investment-ready opportunities tailored to their profile, impact themes and other preferences	
What we are proud of	>65 successful transactions and >40 million EUR raised	Our European network of over 1,000 investors / Our innovative ESIIF, the first ever impact mezzanine fund in Europe using the EU's EaSI Guarantee

Impact investing is experiencing dynamic growth

EUR 2.9 billion in Germany ↗
(finance-first + impact-first) acc. to the 2020 market
study by „Bundesinitiative Impact Investing"
Research period 2019-2020

~ USD 715 billion globally ↗
(Global Impact Investing Network estimate 2020)

Nuanced allocation of impact investments across
multiple asset classes

From margin to mainstream…

Impact investing is a strongly growing niche, in Germany as well as globally

AUM global

ESG

AUM
- Global: 111.2 trillion USD*
- Germany: 18.14 billion EUR

Impact Investing
- Global: 0.715 trillion USD*
- Germany: 2.9 billion EUR

ESG
- Global: 37.8 trillion USD*
- Germany: 6.46 billion EUR

* Sources:
- Global: PWC, Bloomberg, GIIN (2020 estimates)
- Germany: Bundesinitiative Impact Investing, market study 2020

85% of impact investors globally

expect a minimum financial return above, at or close to market-rate from their investment targets (GIIN, Annual Impact Investor Survey 2020)

For profits
Market-rate returns
Exit expectations

Non-profits
- No financial returns
- Short-term horizon

Hybrids
- Moderate financial returns
- Few exit options
- No standard financing model

Our mission: co-creating a thriving pan-European ecosystem for social innovation…

„*The added value of social enterprises is clear, but often, getting access to finance is the missing link. We must keep investing in the social economy, to create jobs, to help improve people's lives and to strengthen our societies' resilience. This is more important than ever in the context of the crisis.* "

Nicolas Schmit, European Commissioner for Jobs and Social Rights (2020)

Strategic financing gap
„too large for philanthropic funders, too small (and risky) for institutional social investors"

Innovative & hybrid financing
Smart combination of impact investments, philanthropic capital and catalytic instruments for maximum impact

This is why we are building bridges between social entrepreneurs and investors...

FASE

For social entrepreneurs

- ✓ Support in further developing business and impact models
- ✓ Identification of potential investors and recommendation of a tailored financing mix
- ✓ Comprehensive advice and coordination of the entire transaction process from A to Z

For investors

- ✓ Access to a pipeline of leading, investment-ready social enterprises
- ✓ Impact investment opportunities tailored to each investor's personal profile
- ✓ Transparent, structured and professionally managed transaction processes

FINANCING AGENCY FOR *Social* **ENTREPRENEURSHIP**

Our paneuropean aaproach

We supported enterprises from 7 European countries

Example: Healthy Entrepreneurs

Last-mile distribution system for basic health in Sub- Saharan Africa

FA E

Social problem

Worldwide, more than 2 billion people do not have access to basic health care and affordable health products.

Solution

End-to-end supply chain management for basic health; trained CHE share essential health knowledge and sell health products

Business model

Health workers become micro-entrepreneurs and pay an average start-up contribution. HE get a margin on each product sold.

Capital raised: ~EUR 1.5 million
Financing model: subordinated loan

Expansion plans

Uganda and Kenya

Example: Social-Bee

Social temporary employment firm integrating migrants into labor market and society

Social problem

Lack of integration of migrants in labor market

Solution

Social temporary employment offers added value for corporate clients and migrants

Business model

Temporary employment contracts, support and training for migrants

Expansion plans

Start in Munich and regional expansion (e.g. Rosenheim, Stuttgart)

Capital raised: ~EUR 0.5 million
Financing model: subordinated loan + donations

Example: Helioz

Access to clean and healthy drinking water through solar-powered disinfection device

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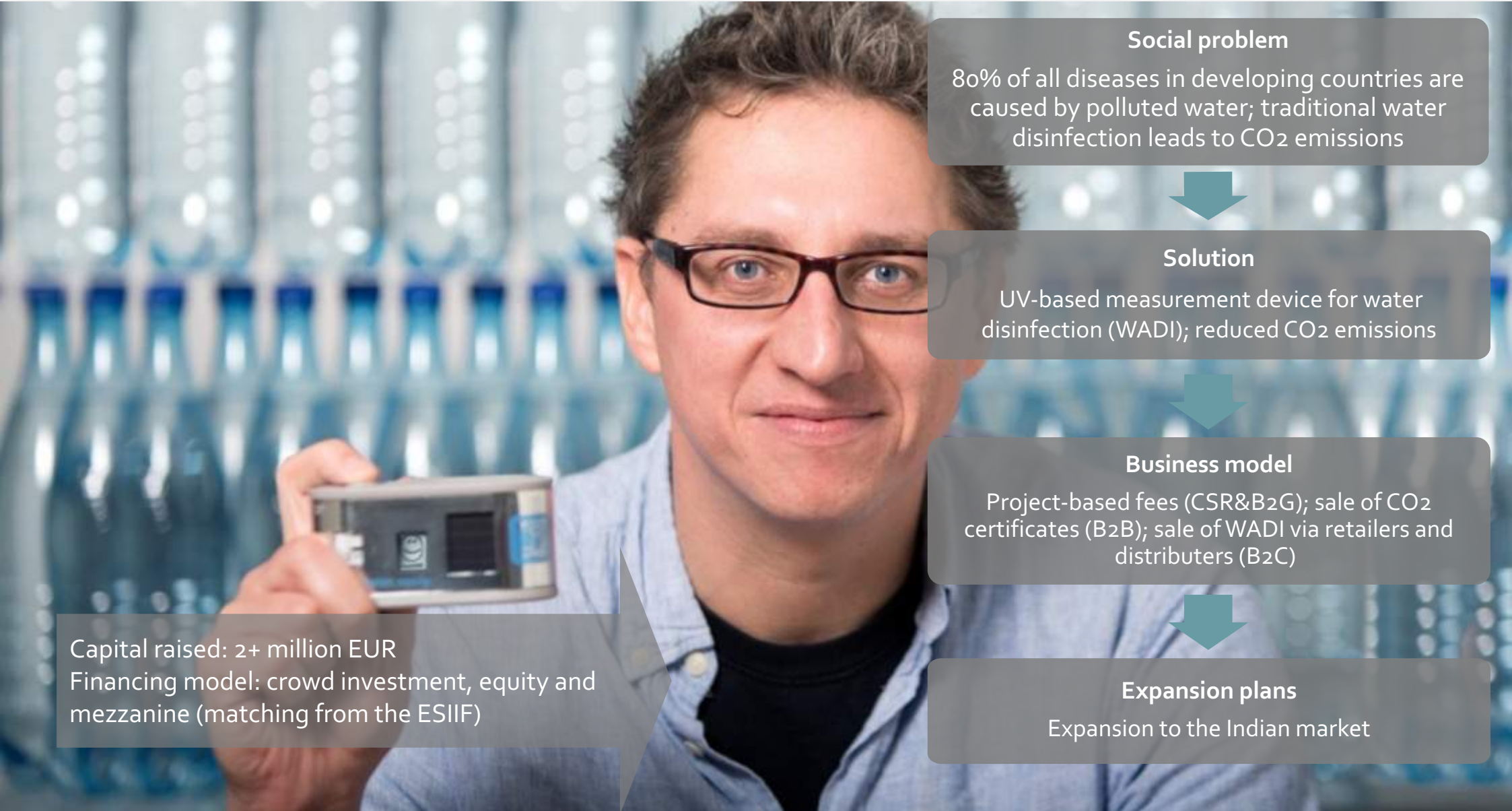
Social problem

80% of all diseases in developing countries are caused by polluted water; traditional water disinfection leads to CO_2 emissions

Solution

UV-based measurement device for water disinfection (WADI); reduced CO_2 emissions

Business model

Project-based fees (CSR&B2G); sale of CO_2 certificates (B2B); sale of WADI via retailers and distributers (B2C)

Expansion plans

Expansion to the Indian market

Capital raised: 2+ million EUR
Financing model: crowd investment, equity and mezzanine (matching from the ESIIF)

Example: SIRPLUS

Reducing food waste by selling excess produce online and over food saving supermarkets at discount prices

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Social problem

In Germany alone, 12 million tons of food are wasted per year

Solution

SIRPLUS buys excess food from producers and wholesalers and resells them via their own online shop and „food saving supermarkets" in Berlin

Business model

Buying and selling excess produce at discount prices

Expansion plans

Investment in IT and infrastructure to enlarge and further develop the online shop

Capital raised: 3+ million EUR
Financing model: convertible loans + mezzanine (matching from the ESIIF)

Example: Ignitia

Innovative and very precise weather forecast tool for higher yields and income for smallscale farmers in tropic regions

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Social problem

Crop yields in tropic regions are volatile and productivity is low, which threatens income stability for many smallscale farmers in the region

Solution

Very precise tropical weather forecast tool allows smallscale farmers to access low-cost weather information and make the right decisions about sowing, fertilization and harvest

Business model

Farmers receive instant messages via subscription in a B2C model; revenue sharing agreement with mobile network operators

Expansion plans

Expansion to Brazil (high potential market with 5 million farmers) to stabilize the local agricultural value chain

Capital raised: 4.2 million Euro
Financing model: equity and mezzanine (matching by the ESIIF)

...for example with our „European Social Innovation and Impact Fund (ESIIF)"

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EUROPEAN SOCIAL INNOVATION AND IMPACT FUND (ESIIF)

- ✓ First ever impact mezzanine fund in Europe that received a partial risk protection provided by the EaSI guarantee instrument
- ✓ Diversified portfolio of around 60 early-stage social enterprises based in Europe
- ✓ Two different risk-return profiles available for German semi-professional and professional investors
- ✓ Initiated by FASE, managed by avesco, guarantee provided by the European Investment Fund

Meet the first inspiring companies that the ESIIF invested in*

Netherlands

Germany

Sweden

Austria

*matching direct investors with mezzanine funding up to EUR 500k per deal

What our clients and investors say about us

„I am enthusiastic about FASE because of the professionalism with which they build the important bridge between finance and sustainable social entrepreneurship initiatives."

Dr. Sebastian Brandis, Investor & FASE Ambassador

„Collaborating with FASE was simply fantastic. It was the first time I learned how to properly prepare business and financial plans. Without FASE, it would have been impossible to access the types of investors and the impact capital we raised."

Robert Greve, Founder Studio2B & Ashoka Fellow

More testimonials can be found here!

Our team: passion for impact meets strong sector expertise

Founders & Managing Directors: Dr. Markus Freiburg & Ellinor Schweyer

Team Germany: Christoph Rohde, Karsten Zengerling & Dr. Adrian Fuchs

Investor Relations: Magdalena Keus & Laura Catana

Team Austria, CEE und Benelux: Dr. Alexandra Nitzlader, Zsolt Pethe & Simone Pourier

Communications / Accounting: Christina Moehrle / Blanca Pohl

FINANCING AGENCY FOR *Social* **ENTREPRENEURSHIP**

Strongly connected and perfectly positioned

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