AAAID's Investment Criteria for Greenfield Projects

The targeted new projects should meet the following criteria:

1. The project aligns with the "Contribution to food security" KPI.
2. Total invested capital in any country should not exceed 20%of all AAAID Agricultural investments.
3. Total invested capital in any sector should not exceed 30%of all AAAID Agricultural investments.
4. AAAID shareholding in the investment (common stock and/or preferred stock) is within a range of 25% to 49%* for Greenfield projects.
5. The project's Profitability Index (PI) should greater than 1 for common equity investment.
6. The total return for the preferred stock should not be less than Cost of capital/opportunity cost plus premium not less than 6%*.
7. The total invest cost should not be less than 20 million USD and AAAID AAAID's investment (common stock and/or preferred stock) should not be less than 2.5 million USD.
8. Equity component should not exceed 50% of the total investment cost*.
9. The Target company has a dividend policy to disburse at least 20% of net profits*.
10. Due diligence should be conducted for partner/s (financial, legal, KYC).
11. Feasibility study completed by a reputable consultant covering market, technical and financial sections available.
12. The initiative is aligned to AAAID's investment programs and investment initiatives.
13. Financial close (debt and equity) has been achieved prior to board approval.
14. Potential partners are not PEPS's (Politically Exposed Person).
15. Seed capital from project sponsor has been disbursed.
16. The investment climate in the country should be attractive.

***Exceptions are subject to the AAAID's Board of Directors**

**** Extracted from document "POLICIES MANUAL –DIRECT INVESTMENT, AAAID-PY 013".**

AAAID's Investment Criteria for Investing in Established Companies (Brown Field)

The targeted companies should meet the following criteria:

1. Established profitable or with clear path to profitability.
2. Cash-generating and its operating cash flows fairly correlated to its profits.
3. With strong revenue trajectory and solid customer bases,
4. With proven products/services in agribusiness,
5. Need capital to fuel their growth, enter new markets, invest in product development, and/or acquire other businesses).
6. Have high-quality management (breadth and depth).
7. Ability to create value primarily through revenue growth, operational improvements, and add-on acquisitions (incremental revenue addition, creation of operational efficiencies and geographic expansion of the business).
8. Easiness and flexibility to execute the transaction.
9. The project must comply with the key performance indicator (KPI) "Contribution to achieving food security".
10. The expansion plan prepared by independent/reputable consultancy firm.
11. Total invested capital in any country shall not exceed 20% of AAAID's total agricultural investments.
12. Total invested capital in any sector shall not exceed 30% of AAAID's total agricultural investments.
13. The company most likely have a dividend distribution policy to disburse not less than 30% of the its net profits*.
14. Ensure that the company's shareholders are not exposed to political risks (PEP).
15. The investment climate in the country should be attractive.

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****Extracted from document** "POLICIES MANUAL –DIRECT INVESTMENT, AAAID-PY 013".