



TOPPAKO
C A P I T A L

Financing
the international expansion of
SMEs

Presentation for
Hub.Brussels Webinar Vietnam

April 2023

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Toppako Capital | Management Team



Benoit François
Founding Partner

- ▶ Acquired Collard & Trolart Thermique in 2014 through LBO. Acted as CEO to re-position the company as a leading French player in Energy Efficient Heating solutions. Transferred management end 2019.
- ▶ 7 years PE experience leading Altamira Capital Partners: Investments, M&A deals, Turnaround & Growth plans advisory.
- ▶ 15 years as GM and director with global leaders (GE, Caterpillar, J&J, Mastercard): Acquisitions integration, growth plans execution, Commercial and Operations roles in 6 European countries.
- ▶ Currently Chairman at Collard & Trolart Thermique, leading Japanese growth plan from Tokyo since 2019.



Gregory Van Bellinghen
Founding Partner

- ▶ 12 years PE experience, leading Euro-Asia transactions in brands, digital and technology space. (Pipe, convertible, co-investments, venture).
- ▶ Brought cornerstone investors into the China Belgium mirror fund
- ▶ Build co-investments into Epigan, B&O and Sunpartner
- ▶ 12 years financial services industry (banking & multilateral organization)
- ▶ On the board of listed and private companies (Viadeo, Sunpartner, Epigan)
- ▶ 6 years in Tokyo, 6 years in China
- ▶ Former member of the Executive board of EBC in Japan, and Board member of the BLCCJ.

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Toppako Capital | Traditional options to enter the EU

Direct Operation

- + Direct control of Eu affiliate
- + Implementation of coherent marketing and distribution channel strategy in EU
- + Direct Feedback from EU customer to adapt the products and strategy
- Unfamiliar with local market
- Large Investment for brand promotion and retail network development
- Not easy to build up a local management team

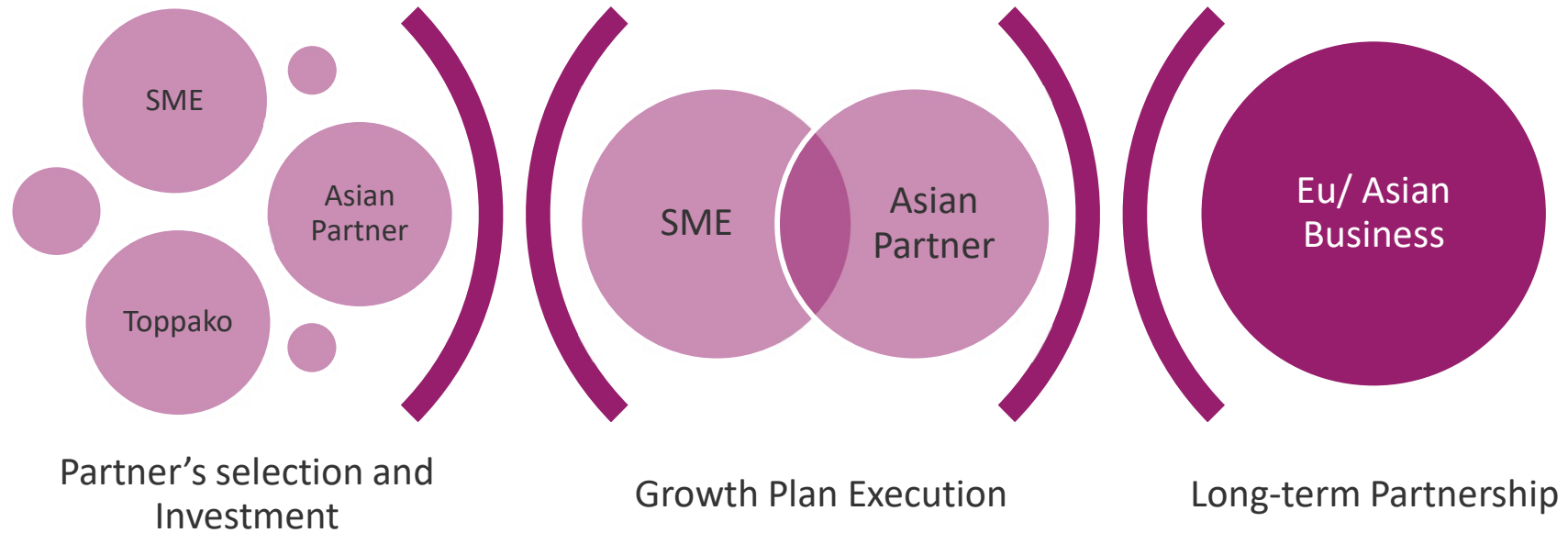
Licensed Distribution

- + Easy implementation and no need for a big local team
- + Low investment
- + Fast deployment by leveraging partner's existing distribution channel
- Short term business relationship with local partner
- Limited commitment from multibrand distributor to focus efforts
- Hard to manage different distributors vs risk of having an exclusive distributor

Joint Venture

- + Dedicated local structure and management
- + Local customer knowledge and products adaptation
- + Mid to long -term strategic plan for eu market at JV level
- Conflicts of interests of shareholders in joint venture.
- JV tends to become independent
- Difficulties in brand control, coherent strategy with the group

Toppako Capital | Unique Co-investments Model



Who brings what?

Belgian / EU SME: Product / Service Concept, expertise, market knowledge, leadership

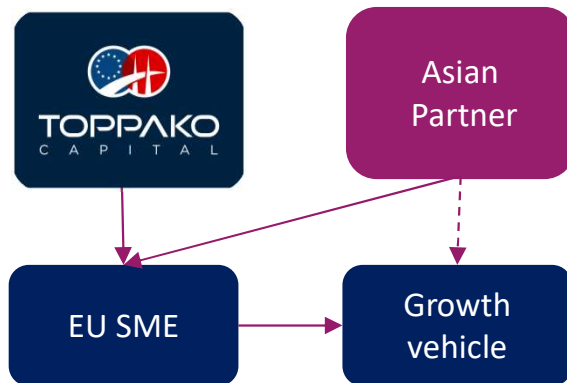
Asian Partner: Unique design, technology, industry contacts

Toppako: Cash, deal structuring, M&A and business development support

Virtuous circle: Alignment of interest, minority stakes, 3 to 5 year investment horizon

Toppako Capital | Co-Investment Model

3-5 year capital contributions in the mother company or in the growth vehicle. Predefined exit terms.



Strong Alignment of interest

- Fund Investment in EU SME
- Fund Investment in Eu/Asian growth vehicle
- A combination of both

Risk / reward sharing principle:

In both cases EU and Asian partners need to have « skin in the game » by investing in growth vehicle alongside Toppako Fund. Partners have a preferred right on Toppako exit (who owns unrestricted option/warrant)

We carry out a rigorous investment process **prioritizing upfront growth plan preparation.**



Toppako Capital | Track record



Leading manufacturer of **GaN-on-Si** and **GaN-on-SiC epitaxial wafer materials** on 200mm for Si and 6inch for SiC, supplying to integrated device manufacturers (IDMs) with applications in cellular base stations, handsets, server supplies, solar, AC drive, UPS inverters and electric cars. 1M USD investment in 2016 Exited in 2019 Irr x2.



Early investor in Biolog-Id, which rolls out worldwide an integrated biometrics solution for blood bags tracking and tracing. This service combines RFID technology with refrigerated transport and data storage, enabling blood type, temperatures and expiry dates monitoring at all times in order to reduce obsolescence on the chain from donor to receiver. Entered in 2011, Exited in 2019 at 4,3x.



Originated Luxury Vans and Ambulances JV between Pinnacle Industries / Force Motors, India's largest light commercial vehicles producer and VDL, a Dutch bus & coach manufacturer, to design and produce luxury vans and ambulances tailored to the Indian market requirements. JV set up in 2016, led to the successive creation of VDL Pinnacle Engineering Pvt.



Iconic brand for audio and video consumer electronics. Invested 25M eur in 2012 with a Chinese luxury distributor. Chinese market presence grew from <2% of revenues to >20% in 5 years. Stock price x3 in 2018.

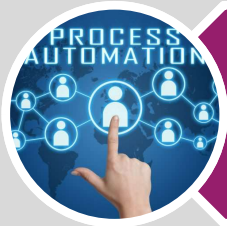


Transparent photovoltaic solutions with applications for consumer electronics (smart watches) and the construction industry. Invested 2.5M eur in 2016. Consumer electronics solutions were sold to Garmin in 2019. Construction division being sold.

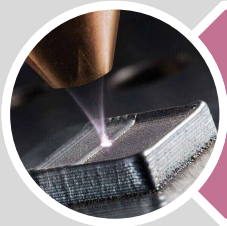
Businesses



Buildings energy efficiency, circular economy, mobility and smart cities applications



Robotics and Automation in manufacturing and services applications



Additive Manufacturing, connected devices, Internet of Things applications



New Materials: Sensors, nanotechnologies, biometrics,...

Consumers



Authentic, original and healthy nutrition



Retail and brands in Leisure, Luxury, Personal Care and Apparels

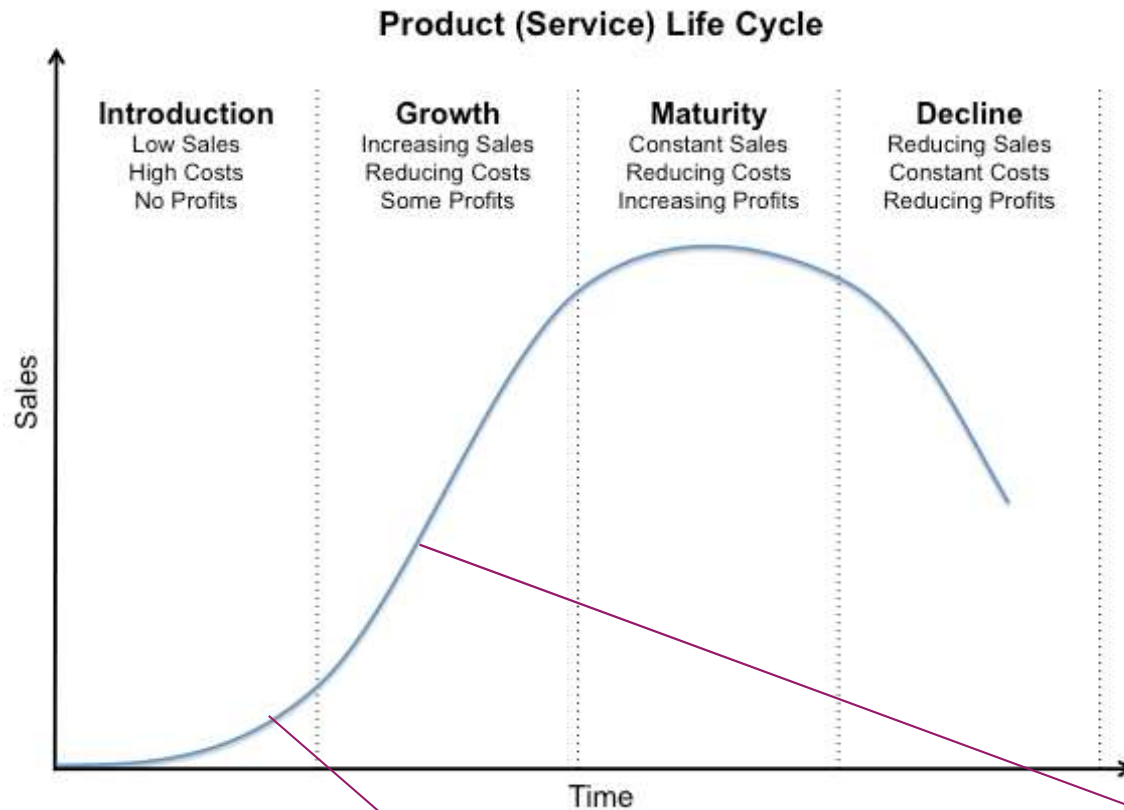


Smart homes facilitating our everyday lives



Aging population and new affluent elderly consumer segment

Toppako Capital | Investment timing / business cycle



Toppako Invests with 2 proposals
addressing 2 risk / reward profiles

- **Early stage:** for SMEs with a proven concept on the Belgian market, incremental sales and break even
- **Growth stage:** For SME with a well defined product / service, international sales and profitable

Toppako doesn't address « Seed » or
« Mature »

Toppako « Early-stage » ticket:
Toppako enters at low valuations
and secures pre-emptive rights
for next rounds

Toppako « Growth-stage » ticket:
Valuation is higher, Toppako and
Asian co-investment partner
enters simultaneously

« Early stage » tickets may lead to « growth stage » tickets if potential is confirmed

Toppako Capital | Summary

1. Innovative Value-Creating Business Model

Strategic Partnerships securing and accelerating European growth.

2. Building trust for long term relationships

Strong alignment of interests between all parties is key in building trust

3. Fast-track your international expansion

Our team and European networks are there to help you develop your business



Magritte & Morimura : “Triple Personality”

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Thank you !

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