



Wind turbines at Serena's
Delta Maranhao wind
farm in Brazil

ONE ACTIS


THE STREET VIEW


MARCH 2024


IN THIS EDITION


MAKING THE ACTIS CONNECTION


- p4



Brian Chinappi
Partner, Head of Real Estate
- 


Lucy Heintz
Partner, Head of Energy Infrastructure
- 

Adrian Mucalov
Partner, Head of Long Life Infrastructure
- 

Michael Harrington
Partner, Chief Investment Officer
- 


Barry Lynch
Partner, Head of Operations

p8



ACTIS IN NUMBERS

p10



THE OPPORTUNITY

COMPANY VOICES

SERENA, BRAZIL

p14



Antonio Bastos
Chief Executive Officer



BLUPINE ENERGY, INDIA

p16



Neerav Nanavaty
Chief Executive Officer



NEXTSTREAM, LATIN AMERICA

p18



Jorge Abadia Pozuelo
Chief Executive Officer



ARGO ENERGY, SOUTH KOREA

p20



Jose Blasco
Chief Executive Officer



EMICOOL, UNITED ARAB EMIRATES

p22



Dr. Adib Moubadder
Chief Executive Officer



AN PHAT HOLDINGS, VIETNAM

p24



Duong Pham
Chairman



HRZ TRANSMISSORAS, BRAZIL

p26



Marcelo Vargas
Chief Executive Officer



RX PROPELLANT, INDIA

p28



Vishal Goel
Managing Director



MAKING THE ACTIS CONNECTION



BRIAN CHINAPPI

Partner, Head of Real Estate



MICHAEL HARRINGTON

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LUCY HEINTZ

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Partner, Head of Operations



ADRIAN MUCALOV

Partner, Head of Long Life Infrastructure



[WATCH VIDEO](#)

At Actis, we are investing behind big structural themes that support sustainable, long-term, equitable growth in defensive, critical, sustainable infrastructure and generate strong returns for our clients.

We find ourselves at the intersection of one of the largest global investment opportunities. This arises from decades of underinvestment in global infrastructure; the emergence of technologies that are driving the digitisation and electrification of economies; the global climate agenda and robust demographic factors.

"WE HAVE A DEDICATED TEAM WORKING ON THE LONG LIFE INFRASTRUCTURE FUND STRATEGY, BUT MANY OTHER ACTIS EXPERTS WORK ON OUR DEALS. WE RELY ON PEOPLE FROM ENERGY, OUR DIGITAL TEAM AND REAL ESTATE. WE USE THE RESOURCES OF THE WHOLE FIRM, AS ONE ACTIS, TO DELIVER ACQUISITION AND OPTIMISATION OF HIGH-QUALITY OPERATING ASSETS."

In this environment, from East to West, state and corporate actors are doubling down on building resilience in their data, energy and supply chain systems.

They are looking for partners to build this critical infrastructure. Actis has been building and operating essential infrastructure for over 20 years, from renewable energy to roads and logistics, to the data centres so increasingly crucial to our daily digital lives. We have built over 200 assets in over 40 countries, through the Global Financial Crisis, through COVID-19, our customers see us as a reliable partner for delivering infrastructure.

This is One Actis, it is the brand and the multi-disciplinary platform that customers look for in the delivery of essential infrastructure. It is the connection that operating at the confluence of these previously distinct sectors enables and cross pollination of insights and networks. Our teams work together as One Actis.

Growing energy demands and the shift to renewables

A major focus for the global energy market is to meet the exponential demand growth for electricity in a carbon-neutral way. Electrifying and transitioning the global economy requires a rewire and replumb of the planet's infrastructure and built environment. This will be a capital-intensive job. Making sure

electricity flows where and how it needs to demands a reliance on renewable energy and complex new storage systems, as well as investment in the enabling environment, for example, transmission grids and distribution networks. This is an investment opportunity of a lifetime, one that will only be financed and delivered if returns meet expectations. And that's where One Actis comes to the fore.

One Actis

There's a synergy created from our cross-sector understanding but also the depth of our networks and relationships. Our 20 year history enables us to leverage our insights, track record and relationships to bring a superior level of analysis to the countries where we operate and the people we engage with.

An example of this is South Korea, where our real estate team has been developing and operating a variety of assets over the last decade. We recently launched a renewable energy business there, as part of our Asia Climate strategy. The local real estate team was able to offer support with land use, permits and construction processes as well insights into South Korean culture and local market introductions to enable the launch. Further, much of the renewable opportunity is connected to real estate owners buying power. The ability to draw on the expertise of our energy teams from Asia, working together with our local real estate team is invaluable.

"THE ONE ACTIS APPROACH IS ABOUT EXPERTISE, INSIGHT, COMMON EXPERIENCE, RELATIONSHIPS AND NETWORKS. BY UNDERSTANDING WHAT'S HAPPENING ON THE ENERGY SIDE, FOR EXAMPLE, YOU CAN THINK MORE COHERENTLY ABOUT HOW YOU TRANSITION A REAL ESTATE ASSET. BEING FOCUSED ON THE TRANSITION GIVES US A BROADER FIELD OF PLAY AND EXPERTISE WITH LOTS OF JOINED UP PARTS. ULTIMATELY, THE MORE WE CAN WORK TOGETHER, THE MORE EVERYONE WINS."

Similarly in real estate, last year we exited an industrial park development in Vietnam. Critical to its success was our operating partner and occupiers, who were attracted to Actis by the strategic value we brought in both real estate and renewable energy.

Another example is Emicool, a leading district cooling provider in the Gulf region. Emicool is collaborating with another Actis portfolio company, Yellow Door Energy, a leading solar business in the region on renewable power for its plants. Emicool's main input costs are electricity and water. Improving electrical efficiency is a crucial driver of both financial returns and our sustainability agenda. Here, we can leverage our experience in both energy and infrastructure operations. Over time, we hope to use our growing expertise in cooling to support our data centre infrastructure globally.

Actis' operations and value creation team optimises value and aligns risk to the financial performance and scale of Actis, in a way external technical consultants cannot. We're able to identify a value opportunity in an operating or under

construction asset, whether it's a wind farm, a solar project, a power plant or a toll road, by comparing it to hundreds of previous projects from the Actis portfolio. It's about drawing on our cross-sector experience and constantly looking for the upside.

There are synergies where we might be dealing with the same supplier in multiple countries. There are also cases where we see an issue multiple times that any single management team will only ever see once in their career, just by the breadth of what we cover. Our management teams really value learning from one another and understanding the synergies and commonalities in the issues they face.

Digitalising the global economy

Hyperscalers are an excellent example of how Actis' expertise across real estate, energy and digital infrastructure combines to offer a competitive advantage. With the growth of AI their needs for new green infrastructure have increased exponentially and with growing land access constraints in traditional markets they are increasingly looking to our markets for new large-scale solutions, for example Johor Bahru in Malaysia to serve the Singapore market.

Through our deep sector specialism and our builder and operator model, we are well-positioned to develop solutions for these customers: today we are building data centres for hyperscalers across Asia in our real estate business, while at the same time providing renewable energy through our energy platforms, using our global relationships and insight to enhance both. We see a future where we offer more integrated solutions that will be compelling for these customers, while enabling us to access a superior investment opportunity. Our decades of real estate, digital and renewable energy experience in our markets allow us to anticipate this in a way that others will struggle to match and action, particularly when integrated with our sustainability approach that focuses on skills development, job creation and industrial contribution to support a Just Transition in the countries where we invest.

Take the example of NextStream, a leading digital infrastructure business in Latin America and the US, where the Actis Long Life Infrastructure Fund (ALLIF) purchased 11 data centres from Telefonica and Asterion. The ALLIF team drew heavily on the experience of the Actis real estate team, which has been building and operating data centres across Asia for a long time. At the same time, NextStream is also looking to use more renewable energy and is relying on the energy team in Latin America, with its deep technical and local market knowledge. Using the resources of the whole firm, supporting our specialist teams, we are able deliver acquisition and optimisation of high-quality operating assets. NextStream is building a risk management framework focusing on preventing environmental, social, occupational and fire risks. The platform is exploring decarbonisation and operational optimisation opportunities, including water and energy efficiency, and low-carbon energy solutions. The business will also look to drive social impact through digital skills training in local communities.

"THIS IS ONE ACTIS, IT IS THE BRAND AND THE MULTI SERVICE PLATFORM THAT CUSTOMERS LOOK FOR IN THE DELIVERY OF ESSENTIAL INFRASTRUCTURE. IT IS THE CONNECTION THAT OPERATING AT THE CONFLUENCE OF THESE PREVIOUSLY DISTINCT SECTORS ENABLES AND CROSS POLLINATION OF INSIGHTS AND NETWORKS. OUR TEAMS WORK TOGETHER AS ONE ACTIS."

“THERE ARE SYNERGIES WHERE WE MIGHT BE DEALING WITH THE SAME SUPPLIER IN MULTIPLE COUNTRIES. THERE ARE ALSO CASES WHERE WE SEE AN ISSUE MULTIPLE TIMES THAT ANY SINGLE MANAGEMENT TEAM WILL ONLY EVER SEE ONCE IN THEIR CAREER, JUST BY THE BREADTH OF WHAT WE COVER. OUR MANAGEMENT TEAMS REALLY VALUE LEARNING FROM ONE ANOTHER AND UNDERSTANDING THE SYNERGIES AND COMMONALITIES IN THE ISSUES THEY FACE.”

The tip of the iceberg

These examples draw on market knowledge and access, grid power and renewable power plus a major crossover of clients. But it's just the tip of the iceberg in terms of the synergies and opportunities we are driving with One Actis. It is part of our DNA as builders and operators to use the combination of local market and deep sector expertise to acquire and build high-quality assets. An example of this is our renewable energy business in India, BluPine Energy, which is our third repetition of the same strategy, in a market with one of the world's largest and most comprehensive plans towards energy transition. BluPine Energy has recently won its first hybrid project combining wind, solar and battery storage on the same site.

In this edition you will find eight specific examples we chose to demonstrate the One Actis approach. You will see we have asked the CEOs of these companies to give their perspectives and paired their voices with the views of our own team. There are dozens more examples, including businesses where we have

delivered successful and profitable exits for our investors. We have great confidence we can continue to do so in the future.

The One Actis approach is about expertise, insight, common experience, relationships and networks. By understanding what's happening on the energy side, for example, you can think more coherently about how you transition a real estate asset. Being focused on the transition, it gives us a broader field of play and expertise with lots of joined up parts. Ultimately, the more we can work together, the more we can contribute to global solutions required and deliver superior performance in possibly the largest investment opportunities of our age.

“ONE VALUABLE WAY WE RAISE THE PROFILE OF THE ACTIS RELATIONSHIP WITH HYPERSCALERS IS EXACTLY THROUGH THE ONE ACTIS MODEL OF DRAWING ON EXPERTISE ACROSS DIFFERENT SECTORS. MANY REAL ESTATE INVESTORS ARE ENTERING THE RENEWABLE POWER SPACE BUT LACK THE DECADES OF EXPERIENCE ACTIS HAS. THAT'S A REAL STRATEGIC LINKAGE WE HAVE THAT WE'RE STARTING TO CAPITALISE ON MUCH BETTER.”





Actis portfolio company
Catalyze's rooftop solar
plant at an industrial hub in
the United States of America

ACTIS IN NUMBERS

318

investments since inception

235

realised

83

unrealised

Average power usage
effectiveness (PUE) ratio of

1.3

across Actis data centres
completed or under development

Total design IT capacity of

457.5MW

across data centres
completed or under
development

C.33GW

of generation capacity
operational and under
construction

14

fully green certified
real estate developments

THE OPPORTUNITY

The world must decarbonise

7X

faster than present
between **now** and **2050**
to keep to a

1.5°C PATHWAY

Source: PwC, Net Zero Economy Index 2023

85%

of additional electricity
demand through

2026

is set to come from outside
advanced economies

Source: IEA (2024), Electricity 2024. All rights reserved

Global data centre electricity
consumption is forecast to rise from

460 TW

in **2022**

to more than

1,000 TW

in **2026**

equivalent to Japan's electricity
consumption

Source: IEA (2024), Electricity 2024. All rights reserved

The global green built environment's value pool is estimated to be between

US\$800 BILLION

and

US\$1.9 TRILLION

Source: Excerpted from "Accelerating green growth in the built environment", November 2022, McKinsey & Company, www.mckinsey.com. Copyright (c) 2024 McKinsey & Company. All rights reserved. Reprinted by permission

Global annual renewable capacity additions increased by almost

50%
in
2023 → to near
510GW

the fastest growth rate in two decades

Source: IEA (2024), Renewables 2023. All rights reserved

IN 2023,

96%

of newly installed, utility scale solar PV and onshore wind capacity had **lower generation costs** than new coal and natural gas plants

Source: IEA (2024), Renewables 2023. All rights reserved

Total pharma R&D spend is forecast to reach

US\$302 BILLION
BY 2028

Source: Evaluate, World Preview 2023: Pharma's Age of Uncertainty





Serena's Delta Maranhao
wind farm in Brazil

COMPANY VOICE: SERENA, BRAZIL



ANTONIO BASTOS

Chief Executive Officer, Serena

Serena is a leading player in the renewable energy space in Brazil and the largest publicly listed pure renewable energy generation company in Latin America. For over 15 years, we have been fuelled by the generosity of nature, making clean solar and wind energy accessible to all – from large global companies seeking sustainable profitability to families looking for guilt-free energy consumption, in harmony with society’s call for sustainability. With the capacity to power 4.8 million homes, Serena is a pioneer in developing clean technologies that bring sustainable energy to every consumer.

How did Serena start and what has driven its success?

As a serial entrepreneur I’d worked across different sectors, mostly in technology. In 2008, I saw the demand for investment into renewable energy and since the renewables market in Brazil was nascent, we started from scratch. We have since evolved to become the largest wind and solar company in Brazil and we are now extending into other markets in the Americas. Since our IPO in 2017, we have grown our generation capacity more than 10x.

Two years ago we launched a digital platform and were the first company to sell energy digitally in Brazil. That changed the business. We are still focused on supplying large businesses with Power Purchase Agreements “PPA” and supply Heineken and Cargill, for example, but this digital approach has also enabled us to sell to smaller Commercial and Industrial “C&I” clients and even to households.

How did the Actis investment come about?

When we were searching for the right partners in 2022, Actis had just sold significant large wind and solar platforms in the region, Echoenergia and Atlas.

We had a good relationship with the Actis team and saw opportunities for them to help us both operationally and with the entrance in new markets.

Actis is one of the few investors in the world that truly understands the entire renewable energy chain. They have a big network and look to drive value creation, so we are well aligned.

“ACTIS IS ONE OF THE FEW INVESTORS IN THE WORLD THAT TRULY UNDERSTANDS THE ENTIRE RENEWABLE ENERGY CHAIN. THEY HAVE A BIG NETWORK AND LOOK TO DRIVE VALUE CREATION, SO WE ARE WELL ALIGNED.”

Do you have any specific examples of how Actis has supported Serena?

Actis helps to shape future strategy, but also on a day-to-day level. Their strong connections with global suppliers are hugely valuable. For example, they recently supported us with solving a major issue with one of our suppliers in Europe.

This global network enables us to develop our approach to entering new markets and how to recycle capital in those markets. They understand the local nuances and can access their wider platform.

Our vision is to become the largest renewable digital energy player in the Americas, and I believe Actis’ cross disciplinary skills in energy and digital infrastructure can support us accomplishing this.

How do you draw on the One Actis model?

Last year I participated in a global renewables meeting with other Actis portfolio companies. Management teams of power companies from India, Mexico and Europe spent a week together, sharing knowledge, experiences, and challenges. It was a hugely valuable and energising week.

“THIS GLOBAL NETWORK ENABLES US TO DEVELOP OUR APPROACH TO ENTERING NEW MARKETS AND HOW TO RECYCLE CAPITAL IN THOSE MARKETS. THEY UNDERSTAND THE LOCAL NUANCES AND CAN ACCESS THEIR WIDER PLATFORM.”

ACTIS PERSPECTIVE



NICOLAS ESCALLON
Partner, Energy
Infrastructure

Why did Actis invest in Serena?

Serena was a pioneer in the renewable space in Brazil, and for years a player we admired from a distance, as well as one of our fiercest competitors. Originally backed by private equity, they have a top quality fleet of assets, with good contracts in place, and a high-octane management team with the entrepreneurial mindset that we typically aim to instil in the platforms that we back.

When the markets had a downcycle 2022, especially in Brazil, we had an opportunity to partner with them and join the control group of Serena.

This is the largest publicly listed wind and solar company in Brazil. We have recently delivered the Company's largest investment programme to date with over 800MW of newly added capacity. There is also a massive potential to grow the C&I opportunity in Brazil, with the digital model an important engine of Serena's initiatives in this space.

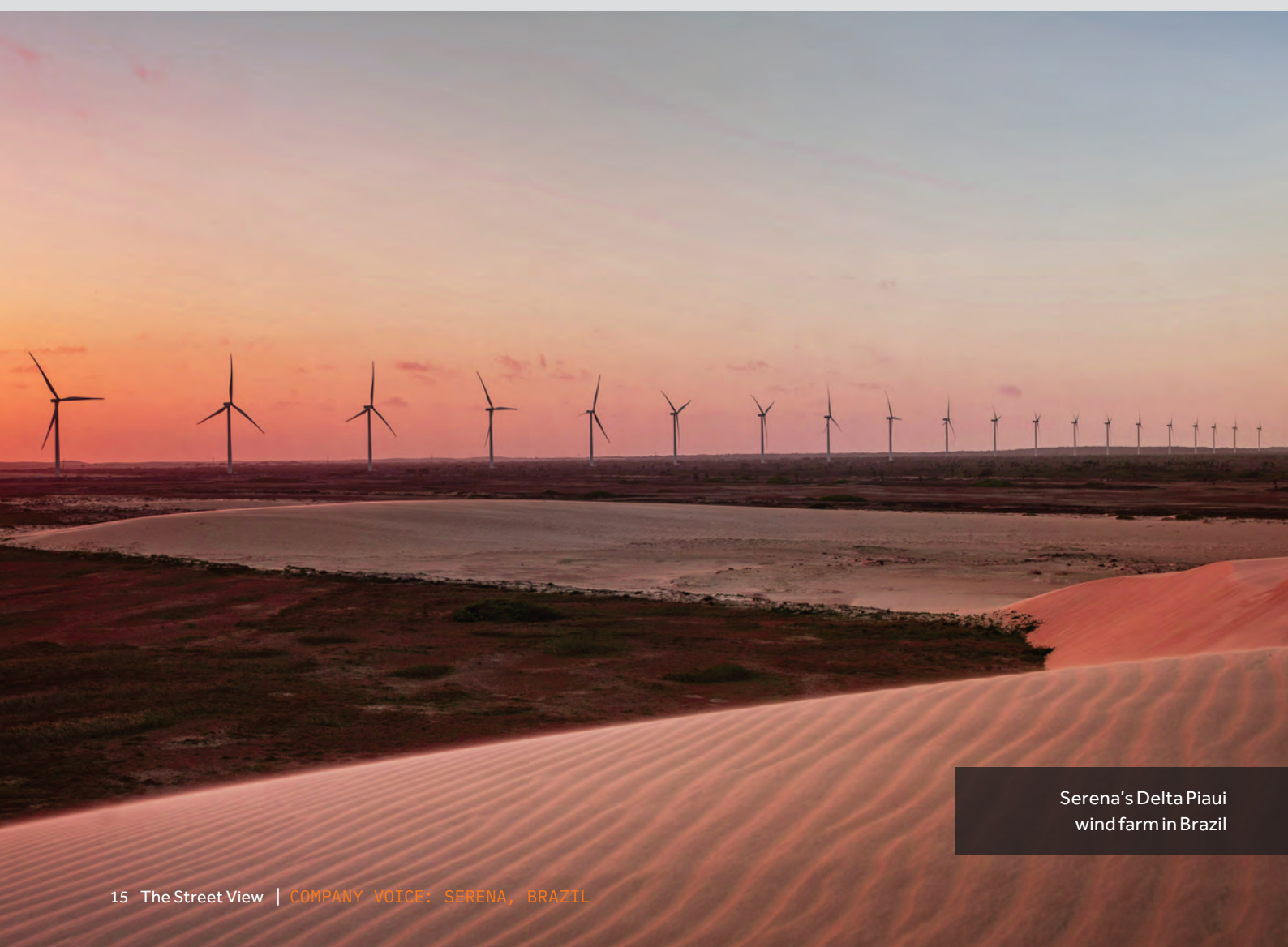
How has the One Actis model helped Serena?

We helped Serena to bring its large-scale investment plan and regional expansion to fruition.

Frequent touchpoints with Actis' Operations team helped structuring and developing the projects, while our global network helped to unlock ad-hoc issues with suppliers.

Regarding the regional expansion, Actis has offered a top-down strategic view of the broader regional opportunity, as well as tactical advice on the specifics of the go-to-market strategy to enter the US and position Serena as an Americas champion.

The Management Team offsite is an experience that has also proved valuable to them, and vice-versa, with Antonio Bastos (founder and CEO) and Andrea Sztajn (CFO) being two of the most acclaimed speakers at the event.



Serena's Delta Piaui
wind farm in Brazil

COMPANY VOICE: BLUPINE ENERGY, INDIA



NEERAV NANAVATY

Chief Executive Officer, BluPine Energy

BluPine Energy is a renewable Independent Power Producer that operates exclusively in India, established by Actis. Neerav Nanavaty, CEO, BluPine Energy provides insights into the progress of this transformative project.

What is BluPine Energy's relationship with Actis?

The company functions as a full-stack independent power producer, seamlessly managing the entire value chain of renewable power generation and storage. This entails developing assets, acquiring land, permits and approvals, contracting with equipment suppliers, overseeing the construction, commissioning and operation of power plants, and distributing the generated output to diverse off-takers, including both government and private entities. Often, these activities occur simultaneously. Actis' engagement extends beyond mere financial investors; as an active participant with a decade of experience in India's renewable industry, its strategic guidance profoundly influences our operational approach.

What are your key challenges?

The Indian renewable market is complex, characterised by a patchwork of regulations at the state as well as central level. Operating in this landscape, it is critical to navigate regional nuances and tailor strategies accordingly. Specialising in utility-scale solar, wind, and hybrid plants, BluPine Energy is currently incorporating battery components to enhance energy delivery. The substantial capital requirements demand swift project execution, leading us to manage various aspects of multiple projects across different states simultaneously.

"ACTIS' PEDIGREE IS AN ASSET IN BUILDING OUR BRAND WITH OFF-TAKERS, REGULATORS, CONTRACTORS, FINANCIERS AND SUPPLIERS. IT INSTILLS CONFIDENCE AND FACILITATES EFFORTS TO ESTABLISH BLUPINE ENERGY AS A REPUTABLE PLAYER IN THE SECTOR."

How has BluPine Energy's business plan evolved since its inception in 2021?

Our ability to adapt our business plan enables us to maintain a competitive edge in the market. While our initial strategy encompassed utility-scale wind, solar, and hybrid plants, we have since added C&I businesses and a heightened emphasis on battery storage.

The incorporation of battery storage has become a key component of our strategy. Hybrid and storage projects now play a pivotal role in ensuring continuous, stable energy generation, effectively addressing the inherent intermittency of renewable sources. By optimising transmission capacity, these projects ensure a reliable energy supply even during periods when the sun is not shining or the wind is not blowing. This strategic approach mitigates the intermittent nature associated with renewable energy sources.

How has the One Actis model helped BluPine Energy?

We consistently leverage Actis' diverse expertise and global network. For example, the real estate team facilitates introductions and helps us build relationships with corporate off-takers. Future plans involve exploring opportunities to collaborate more closely with the real estate team to provide renewable power to some of the assets Actis has invested in.

"THROUGH ACTIS' WIDER ENERGY TEAM, WE'VE BEEN ABLE TO ACCESS BATTERY SUPPLIERS IN DIFFERENT REGIONS. THEIR INSIGHTS INTO COST STRUCTURES AND TECHNICAL PARAMETERS, AND THEIR GLOBAL NEGOTIATION LEVERAGE ARE Hugely Valuable."

ACTIS PERSPECTIVE



ABHISHEK BANSAL
Partner, Energy
Infrastructure

What was the appeal of BluPine Energy to Actis?

We've had success in this market before and the Indian renewable sector remains a large and lucrative opportunity. So, we decided to repeat our strategy while adapting where necessary. The most important element of building a successful business is finding the right management. Under Neerav's leadership, we found a strong management team,

who have had significant development and execution experience in India for the past two decades. In the last two years, we have strengthened the team to build capabilities in the corporate Power Purchase Agreements "PPA" space and storage which now allows us to build renewable projects which are less intermittent in their supply and cater to specific customer load requirements.

How has the One Actis model helped shape the business?

One Actis is about depth of expertise and breadth of knowledge. Our long experience in renewables, not only in India but elsewhere, gives us unrivalled expertise in several areas such as wind or solar procurement, understanding of best technology in storage, access

to financing and even reaching large corporate customers and hyperscalers, many of whom operate globally. Having a centralised operations team on one hand and deeply inter-connected regional investment teams on the other, has helped immensely in ensuring that all our businesses globally, including BluPine Energy, implement global best practices while benefitting from best contract pricing and terms making them more competitive in their local markets. We have encouraged strong collaboration across businesses. For example, our digital infrastructure and real estate colleagues have assisted us in initiating PPA conversations with global hyperscalers operating in various energy markets and with property developers seeking partnerships with credible green energy suppliers.



BluPine Energy staff at
one of BluPine Energy's
solar farms in India

COMPANY VOICE: NEXTSTREAM, LATIN AMERICA



JORGE ABADIA POZUELO
Chief Executive Officer, NextStream

NextStream is a group of data centres across Latin America, purchased by Actis from Asterion in March 2023. NextStream consists of 11 data centres, covering six countries in Latin America and US. Using these strategic assets as a base, NextStream has adopted a startup mindset and is aiming to address significant growth opportunities in Latin America.

What is the appeal of operating data centres in Latin America?

Latin America has an enormous digital infrastructure deficit, with approximately 15x less data centre capacity than the US on a pro rata basis, making it an attractive market to grow. We now have 11 data centres in six countries, with a unique footprint and strategic presence. We have facilities in the US (Miami), Mexico, Peru, Chile, Argentina and Brazil. These are the main markets in the region.

What is the growth opportunity for NextStream in Latin America?

We have identified several growth levers. First, increasing occupancy in existing data centres, requiring minimal additional capital. Second, we can expand capacity in each data centre. Third, we plan to construct new facilities on land we already own, exemplified by the ongoing construction of a 1.5 megawatt capacity data centre in Chile. And finally, we'll explore Built to Suit projects that do not bring speculative risk. All this is driven by the One Actis model, which is about collaboration and synergy between teams and leveraging expertise, especially in sourcing renewable energy for data centres.

How does NextStream plan to navigate the evolving landscape of data centres, especially with emerging technologies?

The dynamic nature of the sector, with evolving demand and construction methods, presents challenges and opportunities. Here we learn from the experience of the Actis network, especially in South Korea and China, where they have been building state-of-the-art data centres for almost a decade. This gives us a critical advantage.

Additionally, with the momentum behind AI, collaboration with North America and Europe will become essential. Having AI on our radar is crucial for the next three years, again presenting significant opportunity for more growth.

"BY LEVERAGING EXPERTISE ACROSS THE BUSINESS PARTICULARLY IN ENERGY, AND COLLABORATING ACROSS DIFFERENT GEOGRAPHIES, WE ARE ABLE TO GLEAN VALUABLE INSIGHTS. IN BRAZIL, WE ARE WORKING WITH SERENA TO HELP MEET OUR ENERGY NEEDS."

Beyond capital what are the key benefits Actis brings to NextStream?

Actis has considerable experience acquiring assets and building platforms which is instrumental in shaping NextStream's trajectory. The collaboration involves not only operating existing assets but also establishing a new company and leadership team, back-office structure and commercial teams.

Actis has also strengthened our relationships with clients and negotiations with suppliers, boosting our existing capabilities.

Actis' experience in data centres, particularly in Asia creates opportunities for synergies, knowledge creation and value generation. By leveraging expertise across the business, particularly in energy, and collaborating across different geographies, we are able to glean valuable insights. In Brazil, we are working with Serena, another Actis portfolio company, to help meet our energy needs.

NextStream aims to play a pivotal role in modernising Latin America's infrastructure by creating a unique data centre platform. With the support of Actis, we plan to differentiate ourselves in the market, offering long-term value through strategic growth and efficiency. Our focus on digitalisation and collaboration, with key players in the region, positions NextStream as a significant contributor to Latin America's digital transformation journey.

"WE LEARN FROM THE EXPERIENCE OF THE ACTIS NETWORK, ESPECIALLY IN SOUTH KOREA AND CHINA, WHERE THEY HAVE BEEN BUILDING STATE-OF-THE-ART DATA CENTRES FOR ALMOST A DECADE. THIS GIVES US A CRITICAL ADVANTAGE."



Fibre optic cable rack

ACTIS PERSPECTIVE



MAURICIO GIUSTI
Partner

From Actis' perspective, the data centre market not only aligns with our experience in digital infrastructure, spurred by the escalating demand for digitalisation and cloud services, but also exemplifies our capacity as builders and operators in this dynamic sector. With over \$1.5bn committed to digital infrastructure, Actis is strategically positioned to leverage our extensive experience and operational expertise to construct and manage robust platforms like NextStream. The data centre operation, characterised by its long-term contracts, seamlessly integrates into the broader Actis infrastructure investment model, promising stability and sustained growth.

Moreover, considering the significant energy consumption inherent to data centres, Actis' active involvement in the renewable energy sector presents an opportunity to forge meaningful synergies. We are committed to driving sustainable infrastructure by enhancing energy efficiencies through metrics such as power usage effectiveness "PUE" and augmenting the utilisation of renewable energy sources to power our data centres. This sustainable approach underpins our focus on not just expanding our digital infrastructure footprint but doing so responsibly, in line with our commitment to building a more sustainable and efficient digital future.

COMPANY VOICE: ARGO ENERGY, SOUTH KOREA



ARGO ENERGY



JOSE BLASCO

Chief Executive Officer, Argo Energy

Argo Energy focuses on consolidating small-scale solar projects in South Korea. The company was founded in 2020 by energy veteran Jose Blasco who spotted a unique opportunity in a fragmented market. Actis invested in Argo Energy in early 2024.

Actis draws on its experience of renewables in other markets and its deep knowledge and network in South Korea. It plans to drive growth, navigating the complex landscape of a country where stakeholder relationships are paramount.

"THE ONE ACTIS APPROACH, BEING ABLE TO DRAW ON THE REAL ESTATE TEAM'S EXPERTISE, ENHANCES OUR PRESENCE IN SOUTH KOREA. IN A MARKET WHERE RELATIONSHIPS AND NETWORKS ARE CRITICAL, ACTIS HAS A REPUTATION AND EXPERIENCE THAT CARRY SIGNIFICANT WEIGHT."

Can you explain the growth opportunities for small-scale solar projects in South Korea?

For many years in South Korea there has been a policy that utilities must procure a certain percentage of their electricity from renewable resources. Many corporates in South Korea are seeking to decarbonise their energy. One way to achieve that is to simply buy renewable energy certificates (RECs). But we think corporates are looking to do more. There is a lot of demand for corporate Power Purchase Agreements "PPA", but the supply is limited.

One reason supply is held back is that the local terrain is challenging. The landscape is densely forested in parts, quite mountainous and people don't like large projects near their land. As a result, the growth of renewables in South Korea has not kept up with demand. The advantage of small-scale projects is that they can seek approval relatively quickly, compared to larger ones. Typically, there is limited opposition to small, one megawatt solar proposals.

Are there constraints in this market that the One Actis approach will help overcome?

One challenge lies in the disproportionate effort required for different size of projects. To scale efficiently, we have to be exceptionally lean in our processes and standardise operations. This is a strength of the Actis approach. Actis has experience of how to operate projects efficiently.

"THE ACTIS REAL ESTATE TEAM IN SEOUL, LED BY ACTIS PARTNER SCOTT CHOI, HAS PROVED INVALUABLE. THEIR EXPERIENCE WITH GREENFIELD DEVELOPMENT, DEALING WITH UTILITIES AND OBTAINING PERMITS HAS FACILITATED THE DUE DILIGENCE PROCESS."

The One Actis approach, being able to draw on the real estate team's expertise, enhances our presence in South Korea. In a market where relationships and networks are critical, Actis has a reputation and experience that carry significant weight. We're optimistic about exploring further collaborations, especially in financing, project origination and partnerships with key players in South Korea.

How do you see Actis' involvement contributing to Argo Energy's future success?

Our focus in the next 12 months is to establish robust systems and teams that enable sustainable growth. We are keen to leverage Actis' experience globally in running similar businesses and adopt best practice tailored for the local market.

Actis also has a well-established presence in the South Korean market and that promises to offer us a secure footing and help us build credibility, which would take much longer without that support. Being able to lean on various parts of the Actis family has provided us with a profile and opened doors for partnerships. While there is some scepticism about international companies, Actis' ownership lends us credibility and aids our efforts in forming strong collaborations in South Korea.



Solar PV panels
at a solar farm

ACTIS PERSPECTIVE



TAREQ SIRHAN
Head of Energy for
North Asia

What was the appeal of Argo Energy to Actis?

Argo Energy's focus on small-scale solar aligns with South Korean market needs. This approach allows for quick and efficient project approval. They also have a strong team, committed to sustainability and a clear emphasis on process, which resonated with the Actis values. With more capital and strategic growth, we saw the potential to scale up the Argo Energy business responsibly, ensuring efficiency without compromising on risk controls or quality.

How did the One Actis model help you assess the opportunity and shape how you view the business going forward?

The Actis real estate team in Seoul, led by Actis partner Scott Choi, has proved invaluable. Their experience with greenfield development, dealing with utilities and obtaining permits has facilitated the due diligence process. Argo Energy has done exceptionally well since launch but is now at a point where it needs to grow efficiently and access different parts of the market. Our existing relationships and access to funding will contribute to Argo Energy's growth.

Securing, building and operating the right projects efficiently and sustainably is always a challenge. With our experience in building and operating companies across different sectors, Actis is well-positioned to address these challenges. Our goal is to streamline processes, put the right systems in place and leverage our international knowledge to ensure Argo Energy's successful growth.

COMPANY VOICE: EMICOOL, UNITED ARAB EMIRATES



DR. ADIB MOUBADDER

Chief Executive Officer, Emicool

Emicool is a leading district cooling provider in the Middle East. District cooling is essentially utility-scale air conditioning provided to a large area in a sustainable and reliable way, using chilled water distributed through an underground piping network. It has been described as the “most important utility service in the UAE,” as it can reduce energy consumption by more than 50% when compared to individual air conditioning units. This aligns with the government’s net zero targets. While Emicool’s business model is inherently sustainable, the company is also setting ambitious targets to embed sustainability into all of its processes, including its supply chain from generation to delivery.

How have you benefited from the One Actis model?

The One Actis model is about optimising value creation. Actis has an advanced model for supporting companies to create value through a process that requires all teams to work together regularly. We can rely on the full range of Actis expertise to help us achieve our goals, whether its optimising operations, increasing our use of recycled water or implementing solutions for improving energy efficiency. We also receive support from the Actis Operations team, which brings significant technical expertise and creates this culture of constant improvement.

“OVER TIME WE HOPE TO WORK WITH ACTIS TO PROCURE ENERGY FOR EMICOOL’S CORE OPERATIONS FROM RENEWABLE SOURCES, USING ITS EXPERTISE IN THIS AREA.”

Emicool’s main input costs are electricity and water. Improving electrical efficiency is a crucial driver of both our financial returns and our sustainability agenda. Here we can leverage Actis’ experience in energy operations. We are working to source as much renewable power as possible for our operations; our HQ is already largely powered by solar panels and we are moving to an electric vehicle fleet. Over time we hope to work with Actis to procure energy for Emicool’s core operations from renewable sources, using its expertise in this area.

“THE ONE ACTIS MODEL IS ABOUT OPTIMISING VALUE CREATION.”

As part of that have you had many exchanges with other Actis companies?

Yes, lots. One good example is how we collaborate with Yellow Door Energy on solar projects. Yellow Door Energy is another Actis investee company based in Dubai. We are currently discussing ways in which we can collaborate to achieve both of our objectives.

Actis investee companies benefit from each other on a constant learning curve through regular interactions. For example, our team participated in the Actis Generation offsite, during which we were able to engage with the management team of a power distribution business and identified a lot of common ground and potential opportunities to implement similar solutions to optimise our metering and billing processes. We try to benefit from our access to this global network of seasoned industry leaders.

What’s next for Emicool?

Our focus remains on delivering the targets that we have agreed in our 10-Year Business Plan. For example, we’d like to increase the company’s use of recycled water to 55% this year, up from 40% last year. We are expanding our commitment to renewable energy generation and embarking on a significant investment in a new enterprise resource planning system. This strategic initiative will pave the way for the implementation of the ECO Digital Transformation System.

Additionally, we are dedicated to the environmental sustainability of our fleet, with a specific objective of transitioning 70% of our vehicles to electric-driven ones. This step underscores our ongoing efforts to reduce our carbon footprint and embrace cleaner, more sustainable transportation alternatives. We are rolling out the final phase of our energy efficiency capex programme. We are exploring opportunities to optimise our capital structure through different financing solutions. We are always evaluating ways to enhance the customer experience and are currently implementing new technology to do so. And finally, we are also always looking at ways to grow the company, through our existing exclusive concessions zones and beyond. As you can see, we have many priorities, and we have a very strong team who is focused and motivated to achieve our common objectives.

ACTIS PERSPECTIVE



MAX BURKE

Director, Energy
Infrastructure

What was the attraction of investing in Emicool?

District cooling represents an exciting opportunity to invest in essential, sustainable infrastructure, as the preferred long-term cooling solution in the region with the efficiency benefits that Dr. Adib mentioned above. We targeted Emicool, in particular, because they have a proven track record over the

past 20 years, operate under robust long-term contracts, and are concentrated in an investment-grade country that offers USD-linked cash flows. While the investment provides all of these risk protections, it also offers meaningful upside by implementing proven value creation strategies.

How do you see the One Actis model helping?

Part of my role is to open the broader Actis network to the Emicool team, to see what expertise we can draw on across Actis to help Emicool achieve its full potential.

In addition to the examples that Dr. Adib has provided, we have actively supported the company in their objectives with

respect to regulatory engagement, business development, and financing, among others. For example, we often accompany the management team on meetings with regulators and prospective customers and introduce the company to our relationship banks. We leverage the expertise of our Operations, Sustainability and Banking teams to ensure that Emicool benefits from the full capabilities of the global Actis platform.

Over time, we hope to use our growing expertise in cooling to support other areas of the business, e.g., cooling is a critical component of data centre infrastructure, which creates an exciting opportunity for our investee companies to collaborate.



Emicool site in Dubai,
United Arab Emirates

COMPANY VOICE: AN PHAT HOLDINGS, VIETNAM



DUONG PHAM

Chairman, An Phat Holdings

Founded in 2002, An Phat Holdings has grown from a small single factory to become the leading manufacturer of high-technology and environmentally friendly plastics in Vietnam. The Group has 17 group companies, 15 factories and over 5,000 employees. It exports to over 70 countries, including markets such as the US, EU and Japan. Recently, Actis has completed an exit from An Phat 1 Industrial Park (An Phat 1 IP) of An Phat Holdings, a 180-hectare sustainable industrial park in Hai Duong, Vietnam and also Actis' first investment in this country.

Tell us about An Phat Holdings and your venture in Industrial Real Estate?

Through our roots in manufacturing and experience building and operating 15 factories for our own use, we have acquired a deep understanding of the needs of the target clients of an industrial park. Over the years, we have also developed a comprehensive business ecosystem that we can leverage to support our tenants. Hence, the industrial real estate sector is a natural area of expansion for us. We are proud of our track record in successfully developing and selling two industrial parks and developing and operating an industrial park for our own use.

Most recently, we developed and sold the 180-hectare An Phat 1 Industrial Park, in a joint-venture with Actis. Through this process, we have also built up a high-quality management team with strong execution capabilities. We are now actively evaluating new opportunities to grow this business.

What attracted you to a joint venture with Actis to develop the An Phat 1 Industrial Park?

Firstly, I was aware of Actis' track record of attracting the best operating partners and teams.

I was impressed by their strong emphasis on strategic alignment with operating partners, and willingness to go above and beyond just economic interests. This is similar to our approach in forming strategic partnerships.

Secondly, Actis has a very experienced team, who are active and hands-on in managing the project alongside our team. The team brings great sector expertise and insights to the joint strategic decisions for the project.

Thirdly, Actis brings an excellent combination of global perspective, from working across so many countries, and a deep understanding of the market norms and practices in Vietnam. This has allowed us to make nimble decisions to capture market opportunities.

Last but not least, we share a strong commitment to sustainable developments with Actis. This has resulted in making An Phat 1 Industrial Park one of the most sustainable industrial parks in Northern Vietnam. Our initiatives help 'green' the park and will result in operating cost savings for our tenants.

We see Actis as the strategic partner to expedite the growth of our industrial real estate business. An Phat 1 is the opportunity to start a much larger strategic relationship with Actis.

"WE EXPECT THAT ACTIS WILL BE ABLE TO MAKE FUTURE DEVELOPMENTS MORE SUSTAINABLE THROUGH SUPPLYING RENEWABLE ENERGY VIA A DIRECT POWER PURCHASE AGREEMENT."

How do you see the 'One Actis' approach adding value?

As we work closely with the Actis Real Estate team, we see synergies enabled by the One Actis approach. Actis is active in the renewable energy sector in Vietnam, through its platform Levanta Renewables. We expect that Actis will be able to make future developments more sustainable through supplying renewable energy via a Direct Power Purchase Agreement.

Actis also has an extensive network in countries where many of our target clients are located including China, South Korea and Japan. And as a result, we have been able to work with Actis in leveraging that international network to tap the inbound customer flow.

"ACTIS BRINGS AN EXCELLENT COMBINATION OF GLOBAL PERSPECTIVE, FROM WORKING ACROSS SO MANY COUNTRIES, AND A DEEP UNDERSTANDING OF THE MARKET NORMS AND PRACTICES IN VIETNAM. THIS HAS ALLOWED US TO MAKE NIMBLE DECISIONS TO CAPTURE MARKET OPPORTUNITIES."



Trucks parked outside
an industrial park

ACTIS PERSPECTIVE



DAVID TRAN
Director, Real Estate

Critical to the success of the An Phat 1 Industrial Park were our operating partner and occupiers, who were attracted to Actis by the strategic value we brought in both real estate and renewable energy.

Vietnam is one of the biggest beneficiaries of the China Plus One strategy thanks to its durable advantages including geographical proximity to China, access to more than 52 export markets via Free Trade Agreements, availability of appropriately skilled workforce at reasonable cost, and a stable political environment with strong support for international investors. Vietnam has outperformed its peers in terms of FDI attraction, and manufacturing has been the biggest winning sector.

Actis has a focused strategy to invest in projects well-positioned to benefit from the deep demand for industrial and logistics real estate, including ready built factories / warehouses for lease, and industrial parks for sale in Tier-1 industrial cities in Vietnam. The projects will target the strong demand for industrial and logistics properties coming from the relocation of manufacturing facilities from China, strong trade activities, growing consumption and the accelerated shift to e-commerce. Actis will work with a select group of high-quality local partners to develop these projects.

An Phat 1 Industrial Park is Actis' first investment in Vietnam under the industrial and logistics strategy. An Phat Holdings is the operating partner in the project. The project has significantly outperformed Actis' business plan in terms of both sales and construction and has demonstrated strong demand coming from the China Plus One strategy.

COMPANY VOICE: HRZ TRANSMISSORAS, BRAZIL



MARCELO VARGAS

Chief Executive Officer, HRZ Transmissoras

HRZ Transmissoras demonstrates how a lean approach to an asset can deliver efficiencies many large utilities struggle to achieve. Based in Brazil, Actis acquired HRZ Transmissoras at the end of 2021, and in that short period the company has achieved major cost savings and operational improvements.

Why did HRZ Transmissoras appeal to you?

The Brazilian electricity market ranks among the world's largest, with an estimated need for over \$20bn in investments in the transmission sector over the next decade. The regulatory framework is well established with decades of private sector presence and ensures predictable cash flow and limited exposure to the Brazilian economy.

Under the guidance of Actis, we're implementing new technologies and processes to achieve operational efficiencies, surpassing our targets and market benchmarks. I am two years into the role, and I've benefited from international connections and knowledge exchange across Actis, despite us being the only transmission company in the portfolio.

Despite there being no direct comparison, what have you gained from other Actis investments?

One example is the partnership with Serena, which is a renewables company also here in Brazil. By fostering strong ties with the team and engaging in collaborative discussions, we've achieved some significant outcomes.

The collaboration, particularly in Maranhão state, where both companies have assets, has yielded interesting insights such as addressing high voltage insulator pollution risks. Serena's experience in dealing with those pollution risks has informed our plan.

This exchange has seen mutual benefits, as we provided spare parts during a recent tower emergency at Serena.

How have you been able to reduce costs and increase availability?

Reducing costs and enhancing availability involved strategic shifts in operations and partnerships. Initially operated by EDP, a utility company with transmission as a secondary focus, we decided to outsource operations during due diligence. This transition led to a leaner, more efficient team and significantly lowered operational costs. The mindset shift from in-house to outsourced solutions proved effective.

In terms of availability, long-term partnerships with operations and maintenance (O&M) contractors were crucial. Retaining skilled staff from EDP and developing relationships with new contractors allowed for cost reduction and improved service. Last year, we introduced a new O&M contractor, further decreasing costs while raising availability, surpassing industry benchmarks.

Collaborations with O&M contractors helped Serena sign an emergency services contract, showcased the benefits of a well-maintained network and the ability to respond effectively during emergencies, ultimately contributing to improved availability.

What are the opportunities for future growth?

In addition to portfolio expansion, our partnership with major transmission associations positions us at the forefront of industry discussions. We've taken a leadership role in addressing critical issues such as ESG in the energy transition, contributing to the broader electricity sector in Brazil and the pivotal role of transmission in shaping the future of energy.

"BY FOSTERING STRONG TIES WITH ANOTHER ACTIS PORTFOLIO COMPANY, SERENA, WE'VE ACHIEVED SIGNIFICANT OUTCOMES. YIELDING INSIGHTS SUCH AS ADDRESSING HIGH VOLTAGE INSULATOR POLLUTION RISKS. THIS EXCHANGE HAS SEEN MUTUAL BENEFITS, AS WE PROVIDED SPARE PARTS DURING A RECENT TOWER EMERGENCY AT SERENA."



HRZ Transmissoras
transmission lines
and towers in Brazil

ACTIS PERSPECTIVE



**DAVI CARVALHO
MOTA**

Director, Long Life
Infrastructure

What attracted Actis to HRZ Transmissoras?

The transmission sector is new to us, but the Brazilian sector is stable and low-risk with predictable cash flows, inflation-adjusted revenues, availability at around 99.5% and minimal counterparty risk. With a private-sector-dominated landscape, the resilience of the sector and the entire system proved attractive. Meanwhile, Brazil's stable and mature regulatory framework, established in the mid-1990s, added to the appeal.

A belief in the ability to make operational improvements in these assets was also key. That has underpinned the investment's success, resulting in lower costs and higher availability after only two years of ownership.

How has the One Actis model helped HRZ Transmissoras?

The extensive Actis network allowed for some crucial connections during due diligence. For instance, harnessing the expertise of former board members from Actis' Energy portfolio companies supported HRZ Transmissoras in regulatory interactions and during the due diligence process. These insights and resource exchanges underscore the strength of Actis' network in enhancing the success of HRZ Transmissoras.

COMPANY VOICE: RX PROPELLANT, INDIA



VISHAL GOEL

Managing Director, Rx Propellant

Rx Propellant is a leading life sciences real estate platform based in India. It builds and operates research and manufacturing environments for life sciences businesses with sites in three clusters across India. The sector needs sustainable and uninterrupted infrastructure. Actis acquired Rx Propellant in 2022, with a plan to invest \$200m as part of a buy and build strategy.

What makes the Rx Propellant proposition so attractive?

We create specialist research and manufacturing environments, to support intense research programmes for life sciences companies. The buildings are purpose built and designed to suit the needs of life sciences companies looking to scale operations quickly and sustainably. These facilities, by their nature, tend to be energy intensive. So, we have a laser sharp focus on sustainability and reliability. We work with industry to make our environments more sustainable and future-facing.

What's next for you and the team?

Actis took an existing business and invested to improve it. We were asset light at that point. The plan is now to make it asset heavy, and build on our brand, people, tenant relationships and assets. We want to create up to five clusters across India. We are a preferred supplier for life sciences companies already in or coming to India. We bring a unique expertise to companies looking for this specialist real estate, but more than that we also offer an operationally efficient environment. We allow them to focus on their research and we take care of everything else.

How has the Actis involvement helped Rx Propellant?

We're on a journey to being a full-service provider. We're building an integrated business with the ability to provide an end-to-end solution for tenants. Actis being a global player and having such a large footprint in Asia means there is more expertise and cross-domain knowledge we can draw on. Over the last two years working with Actis, the most impressive inputs have been on sustainability. As we implement our business plan, we're getting advice and support on world-class operations, business practices and standards. This will help us remain competitive as an industry leader in India.

We have been able to draw on the Actis energy team's experience with renewable power in India. That helps in many ways. Offering renewable energy attracts tenants who themselves are committed to a sustainable supply chain. Renewable power is also cheaper, so there are cost savings. It's a compelling proposition overall. Beyond renewable energy, they also connect us with experts in several different areas to help with other challenges.

Do you have examples of this in action?

Life sciences buildings are heavy users of heating, ventilation and air conditioning infrastructure. And Actis has a platform for district cooling services in Dubai, Emicool. As the scale of projects we undertake grows, we will need that district cooling expertise. And Actis is also building an industrial real estate platform in India, where one of the objectives will be to undertake large planned industrial cluster developments in India. At some point, depending on location matching, there could be an opportunity to co-locate facilities with industrial ones. That would be a win-win in terms of cohabiting and sharing efficiencies.

"WE HAVE BEEN ABLE TO DRAW ON THE ACTIS ENERGY TEAM'S EXPERIENCE WITH RENEWABLE POWER IN INDIA. THAT HELPS IN MANY WAYS. OFFERING RENEWABLE ENERGY ATTRACTS TENANTS WHO THEMSELVES ARE COMMITTED TO A SUSTAINABLE SUPPLY CHAIN. RENEWABLE POWER IS ALSO CHEAPER, SO THERE ARE COST SAVINGS. IT'S A COMPELLING PROPOSITION OVERALL."



Render of Rx Propellant's life sciences real estate project for the Bengaluru Lifesciences Research District in Bengaluru, India

ACTIS PERSPECTIVE



ASHISH SINGH
Partner, Head of
India and South East
Asia, Real Estate

How is the One Actis model helping Rx Propellant?

Actis is a leading global player in sustainable infrastructure. So the team at Rx Propellant can rely on our dedicated global sustainability team, working together to build an industry-leading position in sustainability. Across our different teams, we have invested in India for over two decades and built businesses here, creating value for investors and management teams. We leverage that collective experience to replicate the same success for Rx Propellant. Being a major player in renewable power in India means we bring deep subject expertise. Life sciences corporations are heavy users of energy and, as Vishal says, renewable energy not only increases sustainability, it also reduces costs. Our expertise will be useful in structuring cost-effective renewable power solutions for Rx Propellant's tenants and help to make the overall offering more compelling.



Wind turbines at Serena's
Delta Maranhao wind
farm in Brazil

Actis Production Team



ELLEN
DICKINSON
Knowledge



SARAH
DOUGLAS
Communications

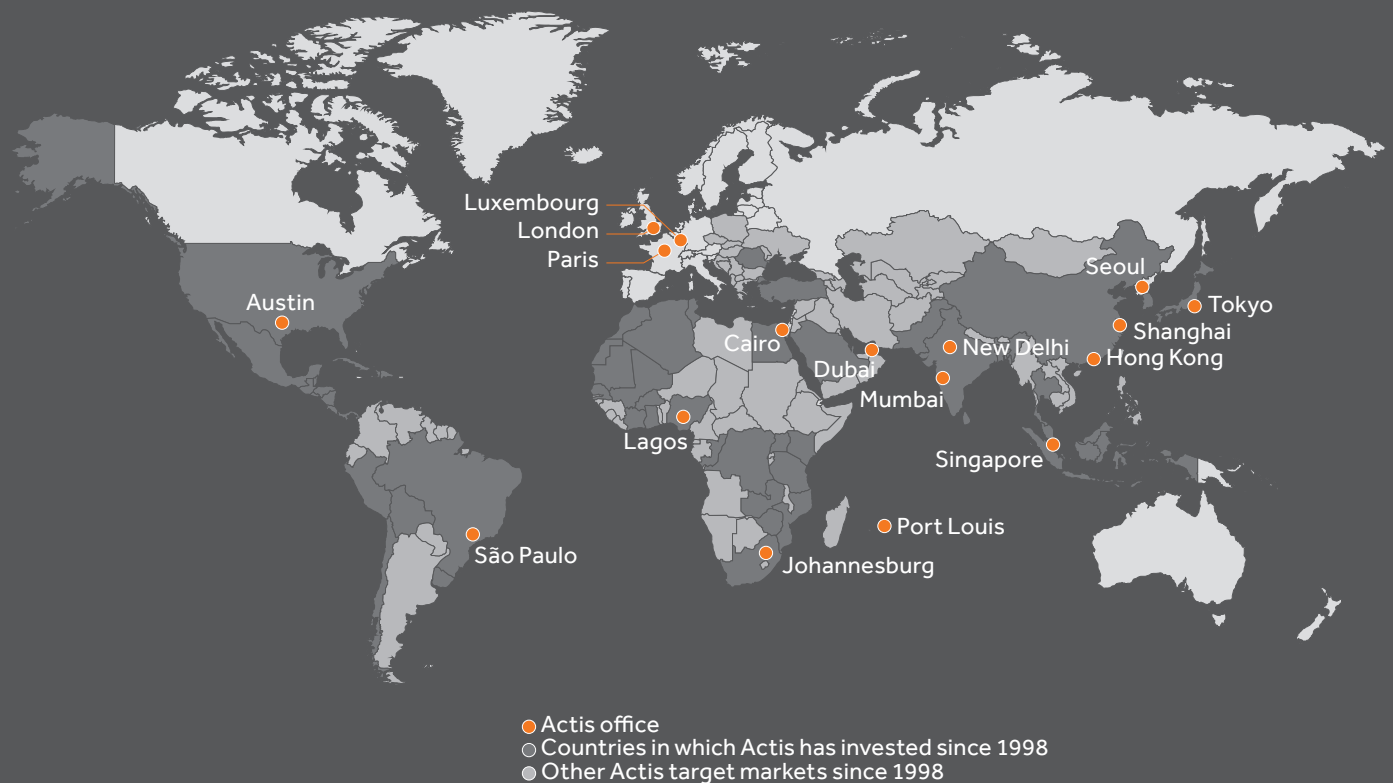


HELEN
JOHNSON
Production



DEBBIE
MINCHINGTON
Right Aligned

ACTIS IS A LEADING GLOBAL INVESTOR IN SUSTAINABLE INFRASTRUCTURE



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