

TARGET MARKET SHEET - INSTITUTIONAL EQUITY

BANK NAME:

		General Questions	Comments/Observations	Desirable Prospect		KEY INDICATORS (TARGET MARKET)
				YES	NO	
1	Investment Location	Will the investment be in MCs or Non MCs? Do we have a mandate/vehicle to invest in NMCs?				> Benefit for Member Countries (MCs): i.e. SMEs support, strengthening of economy, transfer of knowledge and technical know-how, etc. > Supporting muslim population in NMCs: providing financial channels, etc.
2	Market Intervention	What would be appropriate modes of intervention given the current maturity of the banking sector?				> Green field bank: new license/technical partner/quality of other shareholder > Brown field bank (opportunistic) : profitable track record, dividend history, under capitalization with turnaround potential etc. > Transformational: conversion to Islamic bank, enhanced transaction structure
3	Market Size	How large is the target market? Is it justifiable to pursue?				Size of Target Clientele, GDP per capita, etc.
4	Anticipated Sectorial Growth	What is the economic outlook for the country? & Financial sector growth in specific?				GDP growth, growth of Target Clientele, Islamic banking penetration rate, etc.
5	Competition Landscape	Key Players in the Banking Sector				> Market share of existing Islamic banks and conventional banking with ethical offerings > # of Islamic Banks
6	Barrier of Entry	What are the Barriers of Entry for new participants?				Regulation, saturation, political will (Govt. & regulator support), foreign exchange regulations, repatriation of capital and dividend, compliance with central bank requirements, licenses, etc.
7	Market Richness & Diversity	How structured is this market to achieve corporate objectives?				Homogeneity of customers, fit of existing products (retail/corporate/trade finance /universal), treasury products etc.
8	Sustainability Factors	Any macro variables (regulations, risks, etc.) that need to be factored in the investment decision?				Political/economic stability/forthcoming regulation etc.
9	Investment Size & Shareholding Influence	Is the investment adequately protected ?				Min of US\$ 3 Mn, 10% equity stake, minority protection, Board representation, etc.
10	Investment Lifetime IRR - in USD Terms	Anticipated investment IRR (in USD terms)				> Achieves minimum IRR? > Are development/financial/strategic goals achieved? > Investment adheres to investment horizon guidelines? > Dividend, capital gain, currency volatility etc.
11	Exit Plan	Viable exit avenues				Clear Exit Plan within maximum 7-10 Years, well functioned and liquid stock exchange, put option, achievement of development mandates etc.
12	Development Impact (SDGs) Target	Is this investment align with ICD's development strategy?				Potential to generate new jobs, and contribute to ICD Key SDGs SDG 8: Access to Finance for SMEs)
13	Shariah Compliance Angle	What regulations and standards does this country have on Shariah governance? Is there national shariah board ?				> How developed are the Shariah laws/regulations in the target country > What implications might arise if bank follows Shariah compliant practices (taxes, governmental resistance, etc)
14	ICD Specific Benefits/Issues					> Will ICD be granted special privileges should it invest in identified country (no taxes, governmental support, etc) > Are there existing/outstanding issues between a given country/sponsor(s) and other ISDB entities > Is a given country/sponsor(s) on any sanction list(s)

Executive Summary Template (Institutional Equity)

1	Letter of Interest from interested parties
2	Memorandum and Articles of Association of the Bank
3	Institutional Development Needs (Strategic rationale for Investment needs)
4	Overview of financial sector and regulation (including Islamic finance industry and shariah laws etc.)
5	Investment size and location
6	Corporate profile (historical background & general information) , Last 3 years Annual Report (audited Financial Statements), Website, any other relevant info.
7	Background and description of sponsor shareholders /interested parties and shareholding structure
8	Organization structure and brief profile of Board of Directors and Senior Management/Executive Management
9	Latest Credit Report / Shariah Audit Report
10	Risk Management Culture & Decision Making Process
11	Last 3-5 years summarized financials along with key performance indicators
12	Copy of Existing Business Plan and 3-5 years strategic business plan
13	List of products (assets and liabilities) and policies of the Bank
14	No. of customers / No of Accountholders/ No. of Branches
15	Market opportunity report / competitive landscape, target market size, industry outlook etc.
16	List of Credit Lines from Financial Institutions
17	SWOT Analysis of the Bank
18	Latest valuation /due diligence report by 3rd Party
19	Details on Bank's Loan Portfolio (size, composition [investment type, tenor, clients, geography, etc.) & NPLs
20	Sample Non Disclosure Agreement

TARGET MARKET SHEET - CED & NBF

Targets		BENCHMARK	Notes
1	Country External Rating	Country Rating > B3	
2	No. of Member Countries to be Invested	Investment in at least one of ICD's 54 MCs	
3	Member Country Citizen Ownership (% Share)	>%50 shareholders citizen of ICD Member Country (MC)	GCC Member States, African Sub-Sahara, Morocco, Tunisia, Pakistan, Malaysia, Brunei Darussalam, Indonesia
4	Sector	Around 68% of the CE Portfolio belongs to real estate sector and the primary focus for the coming projects will be to diversify CED's portfolio to include in affordable consumer goods, telecommunication, healthcare, food and agribusiness, basic industries, building materials logistics & transportation, and Renewable Energy. In addition to Financial Services (Leasing Companies)	
5	Targeted company No. of Years in the	>5 years	
6	% of exports in Total Company Sales (if	>20% (preferred)	
7	The requested Equity amount (Ticket Size)	Min of US\$ 5 Mn Max of US\$ 15 Mn from ICD's Balance Sheet	
8	% Share of ICD Investment in Total Project Cost	<33% Brownfield <33% Greenfield	
9	% Share of ICD Investment in Total Equity	<33%	
10	Expected IRR (Upon Exit) on USD Terms	Minimum: 10%	
11	Solid Exit Plan with Clear Time Horizon	Clear Exit Plan within maximum 7 Years	
12	Development Impact (SDGs) Target	Potential to generate new jobs, and contribute to ICD Key SDGs (SDG3: Good Health and Well-being SDG 7: Clean Energy, SDG 9: Infrastructure SDG 11: Sustainable Cities and Communities)	
13	Shariah/Compliance	Financial Structure is Shariah compatible (Equity in Shariah compliance companies)	

Executive Summary Template : Corporate Equity

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