



# FENIX ESSENTIAL RESOURCES FUND I

October 2024

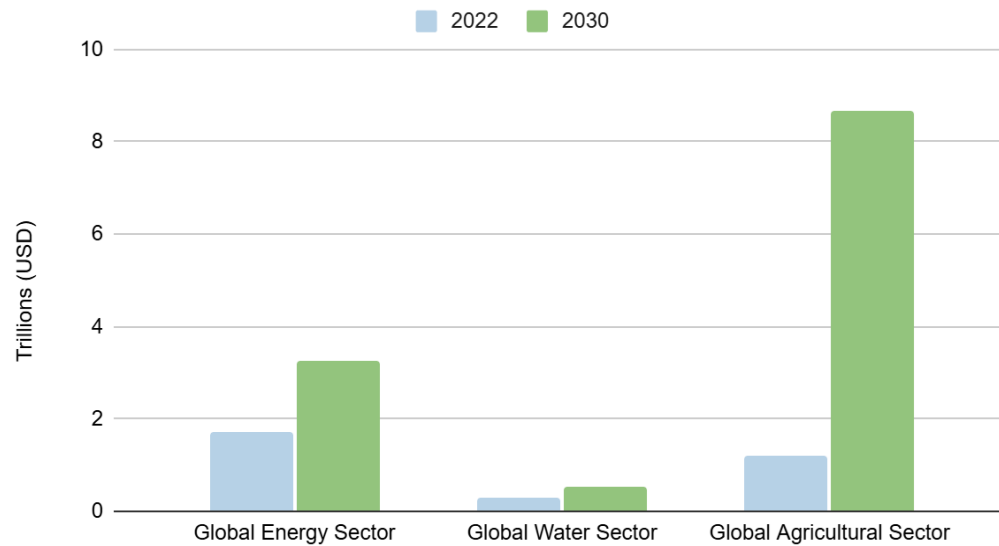
# INVESTING AT THE NEXUS OF WATER, ENERGY & AGRICULTURE



Energy, water and agricultural production are fundamental to economic output and development, touching almost every area of consumer and government spending.

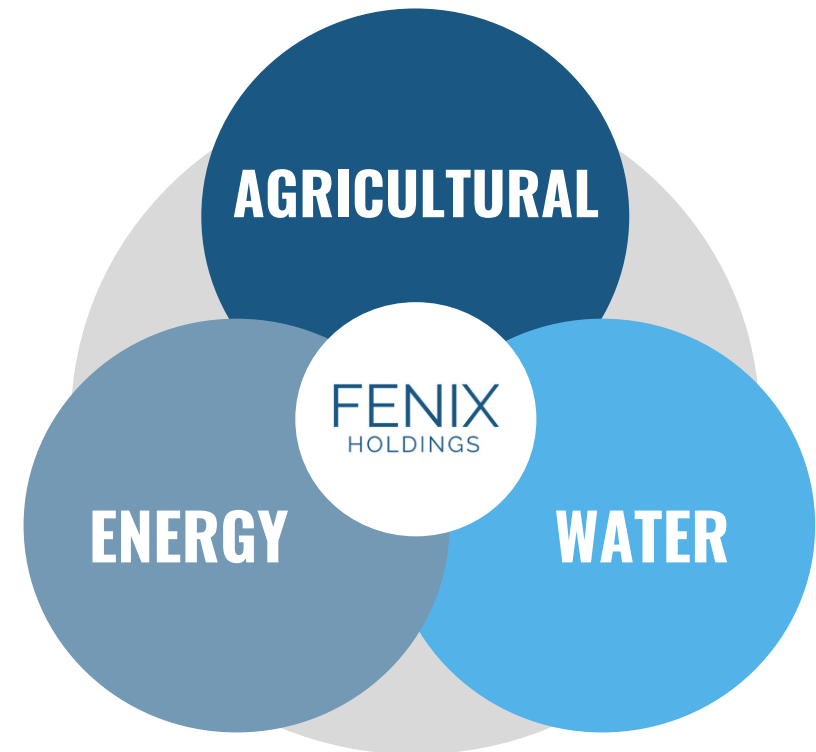
## WATER, ENERGY & AGRICULTURAL SECTORS

Global Energy, Water & Agricultural Markets Projected Growth



[Agriculture Market Size & Industry Growth 2030 \(futuredatastats.com\)](https://futuredatastats.com)

## INVESTMENT TARGET



# PORTFOLIO FOCUS



Fenix Essential Resources Portfolio invests in companies, technologies, hardware, software and services in water, agriculture, energy, and adjacent sectors.

## DISTRIBUTED UTILITIES



### MOBILE POWER & WATER SOLUTIONS

Access to reliable energy and clean water for off-grid industrial applications, rural communities and those that live off-grid.

### WATER STORAGE & DISTRIBUTION

Making possible the efficient distribution of water to remote locations and in times of emergency.

### ENERGY STORAGE & DISTRIBUTION

Solutions that make possible the efficient distribution of energy to remote locations, during emergencies and peak demand.

## INNOVATIVE TECHNOLOGY SOLUTIONS



### UTILITY EFFICIENCY IMPROVEMENTS

Technology that allows for efficiency improvements that have a positive impact on the cost and price of utilities.

### WATER TREATMENT

Innovative new treatment technologies supporting public health and population growth.

### TRACKING & MONITORING SYSTEMS

Tracking and monitoring data enabling operators to collect, store and distribute resources efficiently.

## WASTE STREAM UTILIZATION



### WASTE STREAM REDUCTION

Continuous improvement aiming to reduce the volume of waste produced within portfolio companies.

### BENEFICIAL REUSE OF WASTE STREAMS

Reuse of waste streams internally or externally to reduce environmental impact.

### DATA DRIVEN EFFICIENCY IMPROVEMENTS

Access to real time data provide insight into efficiency improvements on the farm, at the processing plant and for operators.



# PORTFOLIO PIPELINE

Fenix Essential Resources Fund pipeline with highest likelihood of closing in the near future.



## Energy Storage, Design & Distribution Company

FERF is under contract to acquire a designer, importer and distributor of lead acid and lithium-ion batteries and solar power systems for consumer and commercial use. This transaction is expected to close in Q1 of 2025.

## Industrial Trailer Design and Manufacturer

FERF is seeking to acquire a designer and manufacturer of premium industrial trailers and equipment often used in industrial water applications. This transaction is expected to close in Q1 of 2024.





# INVESTMENT OVERVIEW

## FENIX ESSENTIAL RESOURCES FUND I

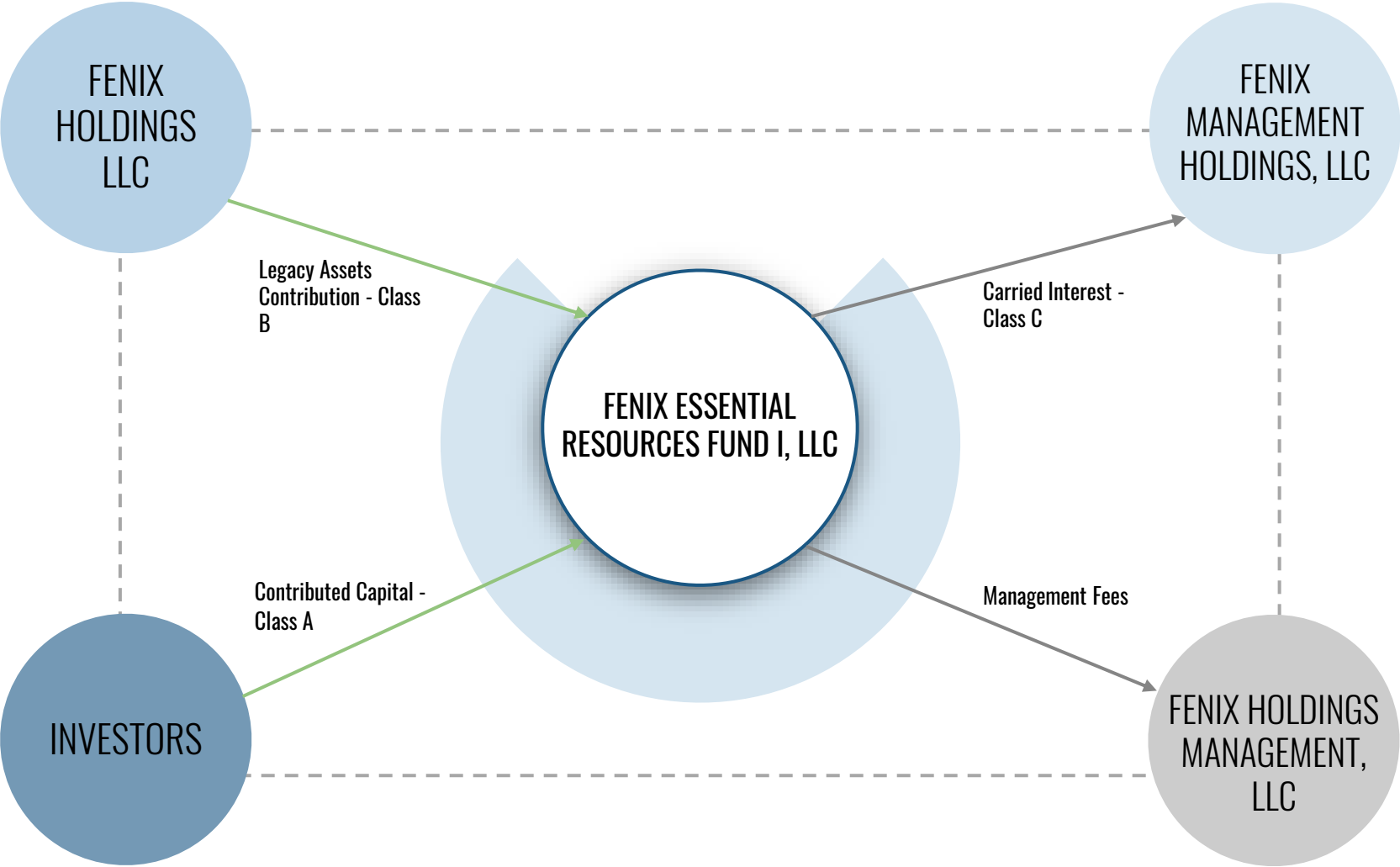
Fenix Holdings, LLC (“FH”) operates as a General Partner for certain alternative investment SPVs (“Special Purpose Vehicle”). The FH is managed by the Fenix Holdings Management (see page\_\_ for team profile), which identifies target acquisitions within the lower middle-market, and manages the acquisition transaction and post-acquisition strategy implementation and stewardship of the asset. FH invests directly in acquisition SPVs, as well as, obtains an incentive equity position (“carried interest”) within the asset as compensation for its role in the acquisition process.

FH was founded by Andrew Sloop, a lifetime entrepreneur with executive and board experience within both private and public companies. Andrew’s vision for Fenix Holdings is to build and steward a multi-billion dollar portfolio of alternative assets within the essential resource sectors of water, energy, and agriculture. To that end, and to facilitate the expansion of the current FH portfolio, FH is raising up to 25\$MM USD in a preferred equity offering (“the Offering”) targeted to close by YE 2024.

FH will contribute certain of its current assets (“Fenix Legacy Assets”) to a new SPV (see pages 10-15), which will become the investment vehicle for the the Offering. This SPV will be a limited liability company named, “Fenix Essential Resources Fund I,” (“FERF”). FERG will target investments in companies, technologies, hardware, software, and services in water, agriculture, energy, and adjacent sectors. Fenix Holdings Management will provide stewardship and management of the FERG assets on behalf of FH and FERG investors.



# SPV STRUCTURE OVERVIEW

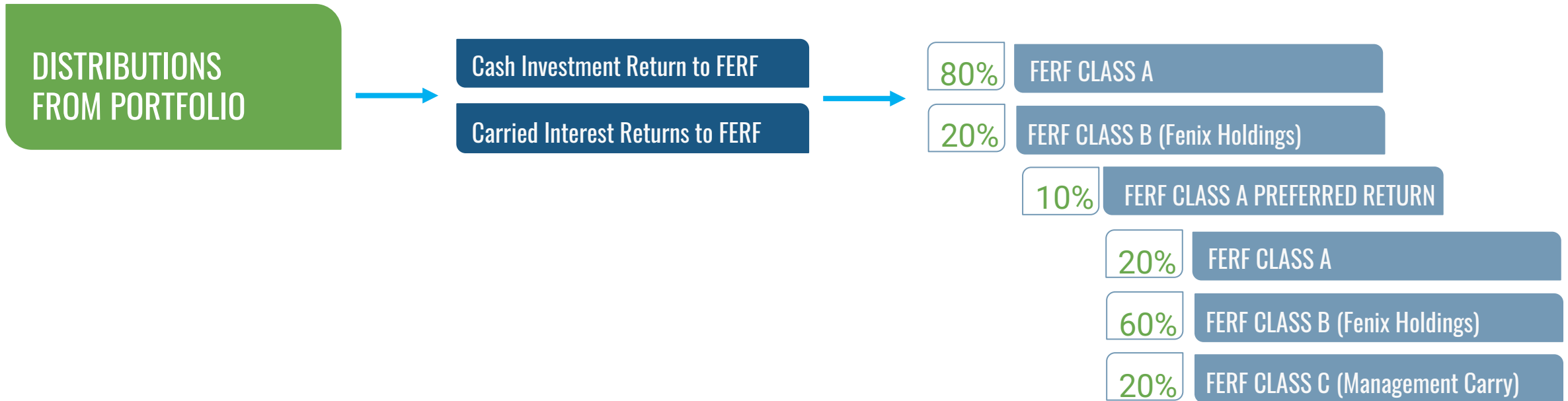




# INVESTOR RETURN WATERFALL



FERF generates returns from both carried interest & cash investment in the underlying asset with a distribution waterfall designed to minimize risk to investors and maximize returns while appropriately incentivizing management.



- FERG Class A unit holders receive 80% of returns to FERG until invested capital plus 10% is returned.
- Thereafter Class A unit holders receive 20% of returns to FERG.



# PORTFOLIO OVERVIEW

April 2023



# FENIX LEGACY ASSETS

**JMARK**  
SYSTEMS

INDUSTRIAL WATER TREATMENT  
SOLUTIONS



**LAND  
ENERGY**

ELECTRIC TWO-WHEELED  
VEHICLES AND SMART BATTERIES



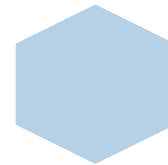
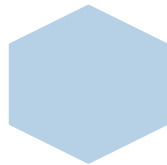
WATER TREATMENT RENTAL  
ASSETS

**EAGAN**  
MANUFACTURING CO., INC.

DESIGN AND MANUFACTURE  
OF AG PRODUCTS

**NORTHERN**  
— FEED & BEAN —

AGRICULTURAL  
DISTRIBUTION COMPANY



# F FENIX LEGACY ASSETS



## NORTHERN FEED & BEAN

[Northern Feed & Bean](#) is a dried bean marketing and distribution company with >\$50M in annual revenue and significant international market share.

**NORTHERN**  
— FEED & BEAN —

FERF expects to acquire up to an additional equity stake in NFB by virtue of executing a buy-out of other equity holders.

ACQUISITION DATE	2023 REVENUE	2023 ADJUSTED EBITDA	FENIX HOLDINGS OWNERSHIP	FERF OWNERSHIP Post-Investment*
June 2021	\$50.3 M	\$2.5 M	7.3%	80%+

**Data Room Access:** ([Asset Co and Op Co Data Folders](#))



# F FENIX LEGACY ASSETS



## EAGAN MANUFACTURING



[Eagan Manufacturing](#) designs, manufactures and markets innovative products for the poultry, dairy, beef, and swine industries.

Andrew Sloop, is a member of the Board of Directors for Eagan Manufacturing. Equity / deal partners: [Grey Rock Capital Group](#) and [Tuckerman Capital](#). FERF expects to acquire up to an additional equity stake in Eagan by virtue of executing a buy-out of other equity holders.

ACQUISITION DATE	2023 REVENUE	2023 ADJUSTED EBITDA	FENIX HOLDINGS OWNERSHIP	FERF OWNERSHIP Post-Investment*
March 2023	\$28 M	\$5.5 M	5%	15%+

**Data Room Access:** ([Asset Co and Op Co Data Folders](#))

# F FENIX LEGACY ASSETS



## J. MARK SYSTEMS

[J. Mark Systems](#) designs, manufactures and operates industrial water treatment systems for some of the world's top companies: Rivian, CAT, Volvo, Mercedes-Benz, Moen, BMW, etc.



Fenix Holdings has the contractual right to acquire an additional 45% of J. Mark Systems from the majority equity holder, Konza Valley Capital ([www.kvci.com](http://www.kvci.com)).

ACQUISITION DATE	2024 REVENUE (PROJECTED)	2024 ADJUSTED EBITDA (PROJECTED)	FENIX HOLDINGS OWNERSHIP	FERF OWNERSHIP Post-Investment*
March 2022	\$7.8 M	\$1.8M	20%	75%

**Data Room Access:** ([Asset Co and Op Co Data Folders](#))



# FH FENIX LEGACY ASSETS



## LAND ENERGY

[Land](#) designs, engineers and builds two wheeled electric vehicles that span the market from e-bicycle to e-motorcycle with an innovative smart battery business model.

FH has the opportunity to buy out its equity partners in Land at a considerable discount to the current valuation, thereby acquiring up to an additional 4% of the company.



**LAND  
ENERGY**

ACQUISITION DATE	CURRENT COMPANY VALUATION	FENIX HOLDINGS OWNERSHIP	FERF OWNERSHIP Post-Investment
April 2022	\$42 M	1%	15%

**Data Room Access:** ([Asset Co and Op Co Data Folders](#))

# USE OF FUNDS



## Acquisition of Fenix Holdings Portfolio of Assets

FERF will acquire substantially all of the current Fenix Holdings portfolio of assets (see pages 10-15), which will add immediate value, as well as, provide a platform for future acquisitions. The acquisition is expected to be structured as 80% equity swap and 20% cash compensation.



## Increase Equity in Legacy Fenix Holdings Assets

FERF will next acquire additional equity in at least three of the legacy FH portfolio companies by buying out existing equity partners. The FH team has already negotiated advantageous terms for these acquisitions.



## Invest in Pending Acquisitions

The FH team has \$45M+ in acquisitions under contract to close before YE 2024. Negotiations are also underway with two additional targets for potential close by YE 2024.



## Fund Additional LBOs

FERF is expected to scale its holdings to at least 10 portfolio companies using a combination of proceeds from the Offering and commercial financing.



# FENIX COMPETITIVE ADVANTAGE



## OPERATING & EXECUTIVE EXPERIENCE

The depth of operating and executive experience of the Fenix team is uncommon in an emerging fund manager, with a range of impressive and diverse skill sets and a variety of real world industrial and investment experience.



## TRANSACTIONAL EXPERIENCE

Significant transactional experience including capital structure, debt financing, legal structure, financial and legal due diligence, and relationship management with all parties to a transaction. The Fenix team has an exceptional success rate in closing transactions once under agreement.



## DEAL FLOW GENERATION

Strong deal sourcing engine with expansive industry connections across target segments. The Fenix Team's deal sourcing engine provides a consistent stream of deals and opportunities which can then be evaluated by the team.



## EXTENSIVE CAPITAL NETWORKS

The Fenix Team's track record of arranging and executing capital investments has resulted in solid and ongoing relationships with top-tier capital partners. These networks and relationships provide access to capital, experience and opportunities.



## EXECUTIVE NETWORK

The Fenix Team has established an impressive network of experts and operators developed over years of high-level industry participation in target segments. The Fenix Team leverages this network to assist in the execution of portfolio companies' growth strategies.



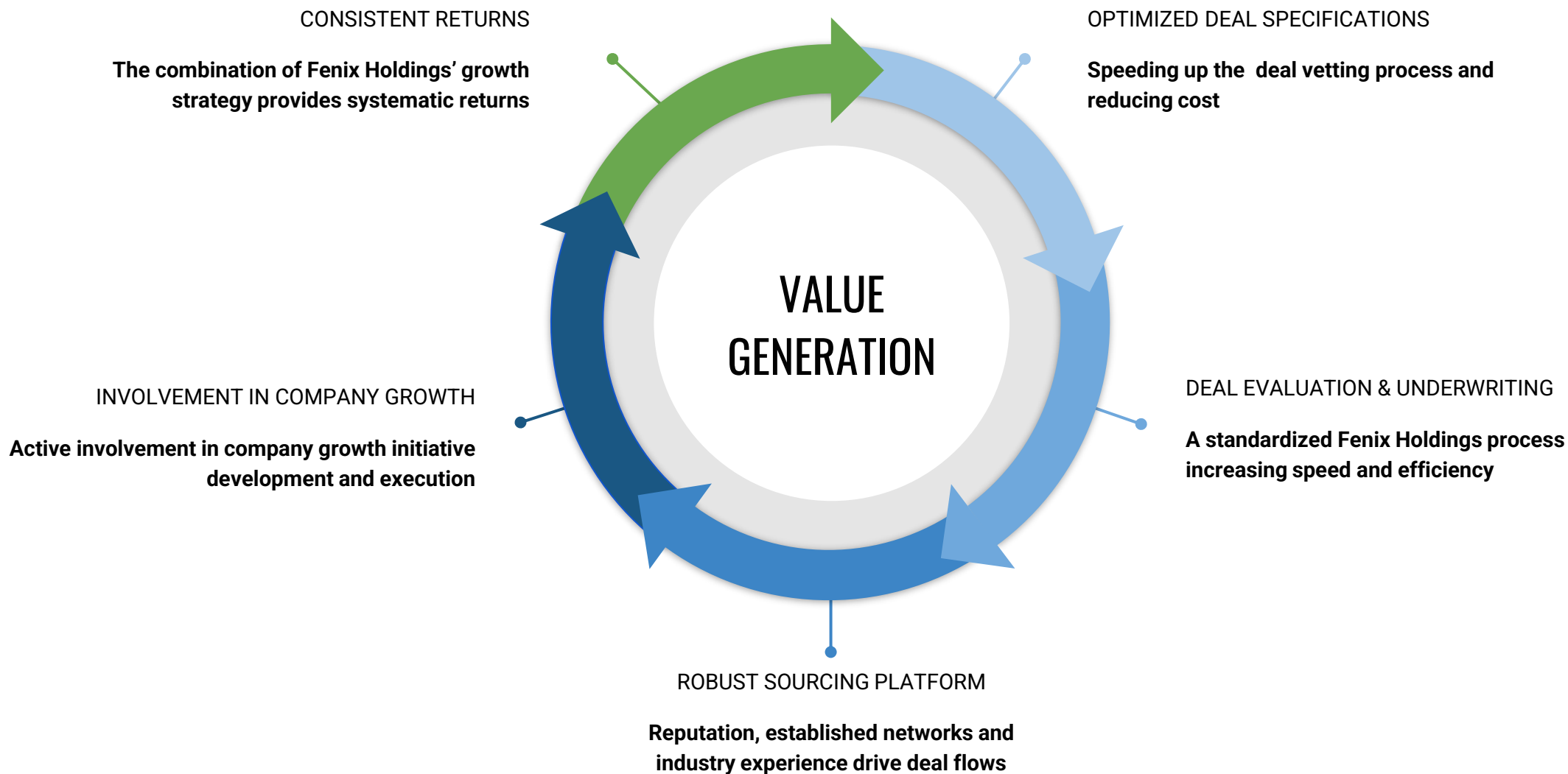
# INVESTMENT STRATEGY OVERVIEW

April 2023





# INVESTMENT STRATEGY OVERVIEW



# OPTIMIZED DEAL SPECIFICATIONS

Targeting Deals with High Probability of Success



	QUALITATIVE		QUANTITATIVE	
✓	<b>Sector</b>	Targeting specific sectors, within which, the Fenix Holdings team has significant industry expertise and value add opportunity.	<b>EBITDA</b>	Up to \$10 million
✓	<b>Customers, Suppliers and Competition</b>	Significant barriers to substitute a competitive offering.	<b>Profitability</b>	<ul style="list-style-type: none"><li>• EBITDA <math>\geq</math> 15% Sales</li><li>• Gross Margins <math>\geq</math> 30% of Sales</li><li>• Multi-year positive cash generation</li></ul>
✓	<b>Growth Potential</b>	Market growth prospects; resilient customer demand; positive industry sales dynamics; low capex expansion opportunities.	<b>CAPEX</b>	Minimal Capital Intensity
✓	<b>Management</b>	Right leadership in place (or available) to grow the company. Management willing and able to work with Fenix effectively.	<b>Customer Concentration</b>	Less than 30% customer concentration, thus diversifying risk amongst various company assets and industries

# EVALUATION & UNDERWRITING

A consistent and thorough transaction process



## COMPREHENSIVE EXECUTION PLAN

### DEBT FINANCING

- Lender list
- Lender memo
- Lender model
- Lender outreach process
- Indicative term sheets
- Negotiate / select lender
- Credit agreement
- Confirmatory diligence
- Finalized commitment

### LEGAL DOCUMENTATION

- Legal due diligence
- Legal structure
- Draft purchase agreement
- Draft employment agreements
- Draft operating agreement
- Credit agreement
- Ancillary documentation
- Litigation Review

### 3rd PARTY DUE DILIGENCE IDENTIFIED





### PRIORITIZED EXPERT REVIEW

- Financial Information
- Sales and Marketing
- Basic Corporate Doc Review
- Management and Employees
- Environmental
- Material Agreements
- Operations
- Regulatory Matters

# ROBUST SOURCING PLATFORM

Reputation, relationships and experience drive access to deal flow



DEAL SOURCING BENEFIT	BENEFIT DESCRIPTION
 <b>INDUSTRY SPECIFIC CONTACTS</b>	Extensive networks in target industry segments provide portfolio companies with access to expertise and connections only available via Fenix.
 <b>INVESTMENT BANKING RELATIONSHIPS</b>	Fenix's solid transactional performance has won us access to top-tier deal flow from quality investment banking relationships.
 <b>LEGAL &amp; FINANCE NETWORKS</b>	Over the Fenix team's long history of domestic and international M&A activity we have established relationships of mutual respect with world-class transactional experts that provide access to additional quality deal flow.
 <b>ACCESS TO FOUNDER / ENTREPRENEUR COMMUNITY</b>	As entrepreneurs and business owners, as well as investors, the Fenix team has a respected presence in the entrepreneurial community that drives consistent deal flow for off-market transaction opportunities.



# SUPPORTING GROWTH

An active involvement in the development and execution of growth initiatives



## CORPORATE ADVISORY



- Corporate strategy
- M&A strategy
- Board management and reporting
- Executive team structure and support

## FINANCIAL OPERATIONS



- Financial reporting
- Loan compliance
- Budget and Forecasting
- Cash management and treasury
- Accounting systems
- Finance function support

## GROWTH STRATEGY



- Growth strategy ideation and iteration
- Sales strategy development
- Market expansion opportunities
- New product and revenue streams

## NETWORK DEVELOPMENT



- Team development and talent sourcing
- Commercial opportunities
- Industry expert introductions
- Finance partnerships

# KEY TEAM MEMBERS

Fenix Holdings' team have vast operational, transactional and industry expertise



## ANDREW SLOOP, MANAGING DIRECTOR

### MBA from MIT, JD UNC Chapel Hill

Andrew has over 15 years of experience financing, managing, and operating international businesses as Founder, CEO and Board Member of both public and private companies. Andrew has led multiple investments in the agricultural, manufacturing, mining, and water treatment spaces. Recent transactions include: the acquisition of an industrial wastewater treatment systems company; leading the series A investment round in an electronic vehicle and battery start-up; the acquisition of a major U.S. dry bean wholesaler and distributor; the acquisition of a titanium mining enterprise; and acquisition and development of a 1,000 L/s seawater desalination project in Northern Chile.



## JOHN MCDONOUGH, DIRECTOR OF FINANCE

### Former CFO No Bull & Nimble Robotics, MBA from MIT

John McDonough is a career CFO leveraging over 20 years of experience leading Finance, Operations and IT teams in the private equity, fulfillment, retail, technology, and e-commerce spaces. John has a demonstrated history of scaling businesses for exit, optimizing accounting and cash flow processes, and driving financial strategies that unlock operational excellence and growth. John holds an MBA from MIT Sloan School of Management.



## ROGER COCKROFT, OPERATING CONSULTANT

### MBA from MIT, Birmingham City University

A hands-on professional CEO with extensive experience heading up global business transformations, company turn-arounds and business start-ups. Initially in the automotive industry at Land Rover and Toyota, Cockroft moved to KPMG and later PwC managing whole-scale transformational change for global large-cap clients. Following the coordination of business process restructuring for Constellation Energy, Cockroft moved into the Private Equity sector managing assets around the globe. Cockroft is a Six Sigma Master Blackbelt, holds a bachelor's degree in I.T. &

# KEY TEAM MEMBERS

Fenix Holdings' team have vast operational, transactional and industry expertise



**MATTHEW BOONE, OPERATING CONSULTANT - FINANCE**  
**MBA, UCLA. B.A ACCOUNTING, UNIVERSITY OF SAN DIEGO**

Matthew joined Fenix Holdings from Motorola Solutions (NYSE: MSI) and Openpath Security Inc.(acquired by MSI in 2021) where he spent 6 years as the Head of Finance, People, & Operations. He brings over 16 years of diversified corporate finance and operations experience leading growth and scale across private and public companies including M&A, systems implementation, technical accounting, investor relations, and pricing and packaging. Mr. Boone began his rise in finance at Deloitte's Financial Services Group and Green Dot Corp. (NYSE: GDOT). Mr. Boone is on the Board of Trustees for Virtual Enterprises International.



**JOSH BROWNLOW, DIRECTOR OF BUSINESS DEVELOPMENT**  
**MPhil ISMM from Cambridge University. BSc Environmental Economics, University of York. Associate of the Royal Society of Great Britain**

After completing his BSc at the University of York as number one in his class, Josh worked in the oil & gas industry before accepting a full ride scholarship from the Royal Commission of 1851 by the Commission's President Princess Anne, to obtain his masters degree in Industrial Systems & Management at the University of Cambridge. Josh has over a decade of experience in across a range of industries including CPG, oil & gas, water with a focus on sales, business development and entrepreneurship. In 2022 Josh developed, negotiated and closed the largest produced water deal in world history.



**ZACHERY SLOOP, ANALYST**  
**MBA, Wake Forest University**

Zachary develops and manages comprehensive ecommerce solutions on platforms such as Squarespace, Wix, WordPress, and Amazon. His background in real estate informs his strategic approach, while his expertise in Dynamics 365 CRM enhances client relationships and operational efficiency. He supports a range of industries, from agriculture to water solutions, and drives ecommerce growth for each organization he partners with by leveraging social media, blog content, and analytics to strengthen brand engagement across digital channels.

# KEY PARTNERSHIPS

Fenix Holdings' key partnerships providing industry expertise, advice and capital.





October 2024