



Clime Capital announces first close of SEACEF II

First-ever blended finance fund combining philanthropy, public, and private sector capital to accelerate the low-carbon transition by investing in innovative businesses in Southeast Asia

Singapore – 22 January 2024: Clime Capital, the Singapore-based fund manager focused on accelerating the low carbon transition, today announced the first close of the South East Asia Clean Energy Fund II (SEACEF II), with US\$127 million committed. SEACEF II is the first blended investment fund established in Southeast Asia to provide early-stage high-risk capital to support promising businesses accelerating the region's low-carbon transition.

SEACEF II draws on the flexible risk capital and investment-making discipline that underlies Clime Capital's successful inaugural fund, SEACEF I. Launched in 2020, SEACEF I has made twelve investments. Its investments made through 2022 have raised more than 27 times the capital provided by SEACEF I – considerably more than that achieved by governments and private-sector funds.

Like SEACEF I, SEACEF II will invest in promising renewable energy generation, energy efficiency, electric mobility, and electrical grid businesses at their early-stage, high-risk development phases. SEACEF II will also offer additional capital to accelerate the scale-up of its portfolio companies.

Among others, the Fund's first closing is backed by junior first-loss equity investors, primarily philanthropic and government-supported organisations, including Allied Climate Partners, Australian Development Investments (an Australian Government initiative), the Global Energy Alliance for People and Planet (GEAPP), and Impact Assets. Senior equity investors include British International Investment (BII) (the UK's development finance institution), the Cisco Foundation, FMO (the Dutch entrepreneurial development bank), the International Finance Corporation (IFC) (a member of the World Bank Group), Norway's Norfund, REI Co-op, and Sweden's Swedfund International.

The Paris Agreement target to limit long-term global warming within 1.5 degrees Celsius (2.7 Fahrenheit) is increasingly unlikely to be met without significantly more action toward climate change mitigation. According to [NASA](#), the 2023 northern hemisphere summer was the hottest since records began in 1880. This new record was set against a backdrop of unprecedented heat that affected many parts of the world, intensifying destructive wildfires in Canada and Hawaii, extreme heatwaves in South America, Japan, Europe, and the United States, and probably playing a role in the heavy rainfall experienced in Italy, Greece, and Central Europe.

Mason Wallick, Chief Executive Officer and co-founder of Clime Capital, said, "As time passes without sufficient progress in developing the critical resources to reduce carbon emissions, the planet needs more businesses focused on accelerating the low carbon

transition to thrive. Clime Capital has proven that our unique combination of early-stage investment ability and clean-energy expertise applied through dedicated on-the-ground teams in Southeast Asia can make a real difference.”

Joshua Kramer, Chief Investment Officer and co-founder of Clime Capital said: “By crowding in capital to de-risk early-stage businesses and development projects, we have demonstrated that small amounts can be leveraged to produce significant impacts. Now is the time to double down on this approach to maximise the results each investment dollar can achieve. We believe our model is the way to achieve this.”

The Hon. Pat Conroy MP, Minister for International Development and the Pacific, said, “This investment, by the newly established Australian Development Investments (ADI), reflects the Australian Government’s view that combining public and private capital is key to accelerating Southeast Asia’s net-zero transition. It also underscores our commitment to working with the region to strengthen its resilience in the face of the climate crisis and in doing so supporting the lives and livelihoods of hundreds of millions of people. Australia recognised early on the impact potential of SEACEF II and is proud to have played a role in helping to attract investment into the fund to support positive climate and social inclusion outcomes.”

Srini Nagarajan, Managing Director and Head of Asia at BII, commented: “Unlocking the potential of clean energy solutions and businesses is a priority for BII to help address climate change. It is part of our strong commitment to support sustainability goals in the region through climate finance. Through SEACEF II, BII is delighted to be part of this innovative blended finance vehicle to mobilise more capital towards accelerating sustainable development in Southeast Asia.”

Michael Jongeneel, CEO at FMO, said, “Rapidly scaling clean energy solutions is a core aspect in reducing GHG emissions in line with the Paris Agreement targets. To that end, FMO is pleased to partner with Clime Capital through its innovative blended finance model and provide catalytic capital to renewable energy developers and early-stage companies. By investing in early-stage business models in verticals such as energy efficiency, e-mobility, and electrical grid solutions, this transaction perfectly aligns with our long-term strategy approach of market creation and ecosystem building, and we look forward to jointly accelerating renewable energy progress with Clime Capital.”

“REI knows bold action is necessary to achieve our climate goals and create a clean energy future for all,” said Kelley Hall, Chief Financial Officer at REI Co-op, the specialty outdoor retailer. “SEACEF II will accelerate the availability of climate solutions in our key manufacturing countries and grow the region’s clean energy economy. We believe investing alongside development finance institutions, philanthropic organisations, and other companies is an innovative approach to climate finance that can scale.”

Ahmed Saeed, CEO of Allied Climate Partners (ACP), said, “ACP is proud to support Clime Capital and SEACEF with catalytic, first loss capital in order to help scale and accelerate rollout of the team’s focused approach to sustainable project development. A Paris-compliant world will not be possible without actors like Clime Capital.”

Felix Barwinek, Senior Investment Manager, Renewable Energy at Norfund, said: “SEACEF II provides early-stage and development capital to companies in the energy transition space in Southeast Asia, mainly Indonesia, Philippines, and Vietnam. This is a great fit for the Climate Investment Fund, which is Norway’s most important tool in accelerating the global energy transition by investing in renewable energy in developing countries with large emissions from coal and other fossil power production. The growth of companies in these contexts relies on investors who are willing to take risks and display patience. Clime Capital's blended finance model aligns with these goals and we are proud to partner with them.”

Gunilla Nilsson, Head of Energy and Climate at Swedfund, said, “Swedfund is happy to announce its investment into SEACEF II, whose investments have the potential to support the development and the scale-up of sub-sectors which are central when setting the stage for an accelerated low-carbon transition and sustainable and inclusive development across countries in the region.”

Mohamed Gouled, IFC’s Vice President of Industries, said, “IFC supports innovative, climate-focused equity investments aimed at strengthening the climate finance market across emerging markets, including Southeast Asia, which still heavily relies on fossil fuels. Private equity funds can play an important role in bridging the gap in financing early-stage climate infrastructure projects and reduce greenhouse gas emissions. We are delighted to partner with Clime Capital to provide much-needed capital to utility-scale clean energy startups and climate transition initiatives in the region, especially in Indonesia, Viet Nam, and the Philippines.”

“GEAPP is proud to partner with Clime Capital to provide catalytic capital to early-stage renewable energy business models, paving the way to accelerate the clean energy transition in Southeast Asia,” said Stefanie Fairholme, Chief Investment Officer at GEAPP. “We believe that the provision of catalytic, risk-tolerant and patient capital through blended finance models is a critical enabler to achieve an inclusive net zero transition in the region. Our investment in SEACEF II delivers on this vision and paves the way for GEAPP’s strategic growth in Southeast Asia, through which we aim to mobilise increased capital flows from other philanthropies, DFIs and the private sector to achieve impact at scale.”

The first close of SEACEF II lays the groundwork for Clime Capital’s team to accelerate the net-zero transition by making new investments in promising clean energy projects and businesses. Several funding transactions in Southeast Asia are under way and will be announced as they are finalised.

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About Clime Capital

[Clime Capital Management Pte. Ltd.](#) (Clime Capital) is a Singapore-headquartered fund management company registered with the Monetary Authority of Singapore. Clime Capital is the manager of SEACEF I and SEACEF II. The Clime Capital team comprises senior professionals with deep Southeast Asian market experience in clean energy investments and developments. The team brings a diversified skill set in early-stage project funding and development, investment and portfolio management, project finance, design and engineering, operations, and environmental safeguards. Clime Capital has an on-the-ground presence in Vietnam, India, Indonesia, the Philippines, and Singapore.