

Regulatory Business Plan (RBP)

EmergX Finance Corporation

Prepared in accordance with FCA MiFIDPRU Non-SNI Application Requirements | July 2025

1. Executive Summary

EmergX Finance Corporation (EFC) is a UK-incorporated development finance institution committed to mobilising capital for sustainable infrastructure and development initiatives across Africa and other emerging markets. EFC is applying for FCA authorisation as a MiFID investment firm under the Non-SNI (Small and Non-Interconnected) category of the Investment Firms Prudential Regime (IFPR). The firm's operating model is grounded in responsible finance, co-investment structuring, and cross-border partnerships.

2. Business Strategy and Objectives

The primary objective of EFC is to become a leading institutional platform for originating and managing development-focused investment opportunities. Its strategy is underpinned by:

- Deploying investor capital into high-impact, SDG-aligned projects via SPVs and managed funds
- Supporting partner institutions with fund structuring, governance, and asset management solutions
- Operating a regulated fund management subsidiary (EmergX Asset Managers Limited)
- Aligning with ESG and prudential standards to unlock diaspora and institutional finance

3. Ownership and Group Entities

EFC is privately owned and strategically holds a 5% equity interest in NCDF Investment Management Plc (Nigeria's impact fund manager). It operates alongside its wholly owned subsidiary, EmergX Asset Managers Limited (EAML), which will manage private placement programs, diaspora feeder funds, and co-managed SPVs.

4. Regulatory Permissions and Activities

EFC is seeking authorisation to undertake the following investment activities:

- Arranging deals in investments
- Managing investments
- Dealing in investments as agent
- Advising on investments
- Safeguarding and administering assets (planned post-authorisation)

These permissions will support EFC's structured investment offerings to professional clients and counterparties.

5. Target Clients and Distribution

EFC targets non-retail, professional investors including development finance institutions (DFIs), pension funds, family offices, sovereign institutions, and HNW individuals.

Distribution is private, non-mass marketed, and aligned with exemptions under the FCA financial promotions regime.

6. Group Structure and Governance

EFC is governed by an experienced board with sectoral and regulatory expertise. The board includes:

- Executive Chairman: Hareter B. Oralusi
- CEO: Otega Owumi
- CFO: Cleopas Chiyangwa
- CRCO: Nicholas Connell
- Independent NEDs: Richard Horsman, Jonathan CRM-Kirk

EFC's governance framework is underpinned by SMCR alignment, board committees, and policy charters.

7. Capital and Liquidity Arrangements

EFC's regulatory capital will exceed the FOR (Fixed Overhead Requirement) with an additional buffer for wind-down planning. The firm will maintain a liquidity buffer in line with MiFIDPRU 7 and conduct regular stress testing. Initial capital raise is £5 million.

8. Risk Framework and ICARA

The firm's Internal Capital Adequacy and Risk Assessment (ICARA) will address:

- Operational, market, credit, liquidity, and reputational risks
- Business model sustainability and wind-down planning
- Ongoing assessment of harms to clients, market, and firm

Oversight is managed by the Risk and Compliance Committee with quarterly reporting.

9. Business Model and Financials

Revenue will be generated through:

- Management and structuring fees from co-managed SPVs and funds
- Success fees for capital mobilisation and fund placement
- Strategic advisory and fund incubation services

Projections (2025–2027): £45m AUM by Year 3; breakeven by Q3 2026.