

Executive summary of podway project for
Carcar, Cebu, Philippines

New sustainable infrastructure
Tollway with integrated solar, wind, storage, EV charging, and utilities.

A vertically-integrated automated tollway for moving people and goods. Podway built alongside roadways and highways within public right-of-way easements. Includes a renewable energy grid with battery-backed solar and wind generation, on-street EV charging, and utilities.

Finance • Build • Own • Operate (FBOO)



Financial Summary - details on page 3-6

Project Cost (CAPEX) \$269.5M

\$4.5M per route-km

\$1,975 per resident cost

Annual Revenue \$256.0M

Multiple long-term contracts and revenue streams from passengers, renewables, advertising, freight, parcels, carbon credits, and attachment fees.

Operating Expenses (OPEX) \$77.5M

Rev share, monitor, security, clean, maintain

Net Operating Income \$136.3M

Multiple scenarios and metrics on page 4



Project Details

Length: 60 km

Guideway with stainless steel exterior, aluminum rails, galvanized steel supports at 24 m (79 ft) spacing. Expected 100 year lifespan.

Number of Vehicles: 972

Automated, on-demand, battery-electric pods can carry 4 seated passengers or 1400 kg (1.5 ton) pallet-sized payload.

Number of Access Points: 405

Access points (pod stops) are electric lifts that lower pods to ground-level for boarding off the main line.

Serves all major destinations including: Airport(s), Train station(s), Bus terminal(s), Hospitals, Schools, Places of worship, Tourist sites, Grocery stores, Retail, Residential, Freight hubs, Industrial, Distribution centers, and Seaports.

Population served: 123K

72 km/h (45 mph) non-stop. Convenient to population of 122,808. Integrates with existing travel modes. Provides car-like convenience and train-like capacity.

Renewable Energy System: 14.3 MW

14 MW generation of clean and renewable energy. GHG reduction of 33.2K tCO2e per year.

Status and Milestones

First Pilot Installed & testing (Boston 2021)

Feasibility study Completed

Funding Partial (see page 5)

Insurance & Bonding Have commitment

Rights-of-Way agreement TBD

Route approved TBD

EPC selected 08/2023

First phase Permitted 09/2023

On-site Pilot installed 11/2023

Concession Signed 11/2023

Financial close 11/2023

First phase operational 05/2024

Full system operational 12/2024

Additional Info

[Public webpage for Philippines](#)

[Request feasibility study](#)



Feasibility Study and Industry Comparables

Feasibility Study Summary

- ✓ **Financial:** Multiple sources of revenue, long-term contracts and network effects deliver durable cash flows and high margin operations.
- ✓ **Regulatory:** International Automated People Mover standards for system safety.
- ✓ **Land acquisition:** None. Installed within public rights-of-way (RoW) alongside roadways within utility-like aerial easements.
- ✓ **Government:** Provides aerial RoW easements through long-term concession agreement. Strong government support from revenue stream and no government funding. Provides public transport that is convenient, inclusive, accessible, sustainable, and equitable. No land use or negative impact on other modes of travel. Lowers gov't cost for road & bridge maintenance.
- ✓ **Construction:** 90% of work is competitively bid on fixed-price contracts with qualified and reputable firms. Infrastructure is built in factory which makes for fast installation and low disruption.
- ✓ **Environmental:** No significant environmental impact. Carbon negative. Pollution free. Powered by clean and renewable energy
- ✓ **Societal:** Fast to build and not disruptive. Improved safety, reduced crime. Creates jobs and economic growth. Eliminates congestion & parking issues. Integrates with existing transport.
- ✓ **Technical:** Exclusive, elevated, fully-automated guideway avoids complexities of multi-modal roadway. Similar to systems that have been safely operating for 45+ years. See box to right →

Podway vs. ATN/PRT

Automated Transit Networks
Personal Rapid Transit

- No land use:** podways go alongside existing roads use low-cost stops to enter pods at ground level.
- Low cost:** mass production of civil infrastructure
- Goods:** automated transport of freight and packages
- Utilities:** integrates utility lines & street lighting
- Energy:** solar & wind on podway generate distributed renewable energy & storage to sell.
- High capacity:** 6-pod trains every second carry 86,400 seats/hr. Pod lifts can handle any loading demand.
- High speed:** 242 km/h (150 mph) over long distances
- Convenience:** road-like network with stops on every block achieve car-like convenience and availability.

Operational ATN/PRT Systems

| Location | Name and Vendor | Route (km) | Vehicles | Service Year |
|----------------------------------|-----------------|------------|----------|--------------|
| Morgantown, West Virginia | Morgantown PRT | 5.8 | 70 | 1975 |
| London Heathrow Airport | ULTra | 3.8 | 21 | 2011 |
| Masdar City, UAE | 2getthere | 1.8 | 10 | 2010 |
| Suncheon, South Korea | Vectus | 4.6 | 40 | 2014 |
| Raytheon, Massachusetts (tested) | PRT 2000 | 1.5 | 3 | 1995-1997 |

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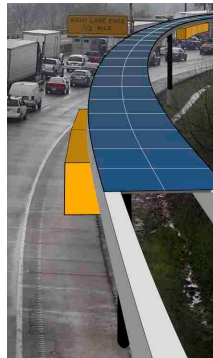
Carcar, Cebu, Philippines Solar Podway Project Feasibility Study

For lenders and equity investors to conduct due diligence and analyze business, financial, and technical feasibility of a podway project.

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Related podway projects

Barishal, Bangladesh: In Development Phase. AECOM providing program management. Local firm preparing route survey and environment impact study.

Pilot: Installed in Oct 2021 in Massachusetts, USA and is undergoing testing.

Government commitments

for 8+ countries in Africa, Asia, and North America

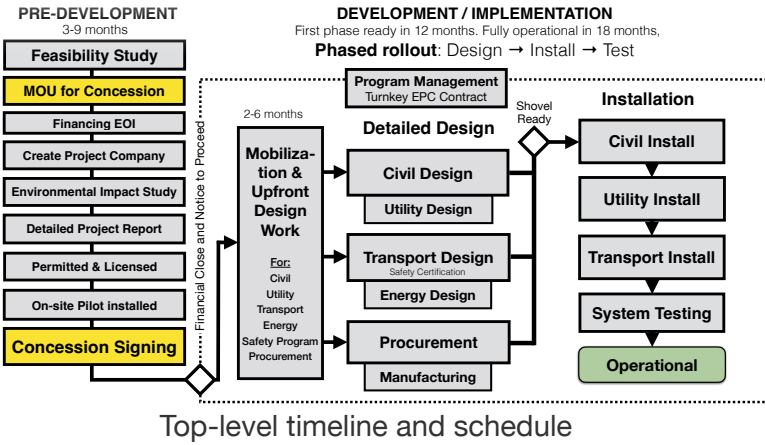
Feasibility Study and Industry Report available upon request.

Raelor Capital

Executive Summary
The On-demand Transportation Solution
PRT is a Potential \$31-58 Billion
Investment Gain Opportunity

Personal Rapid Transit (PRT) Research

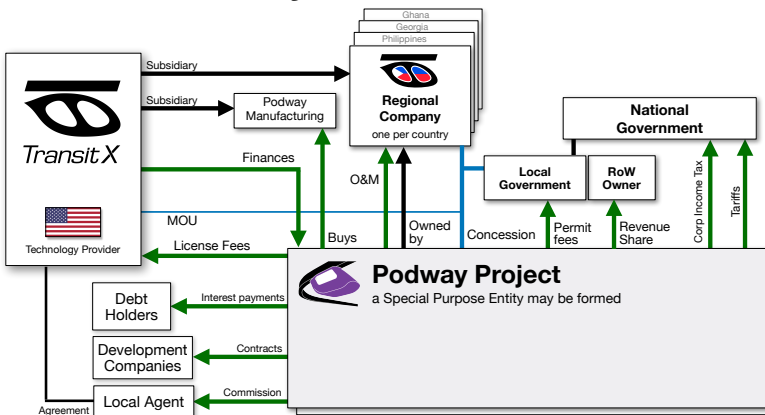
Project Details



Partners and Major Contracts

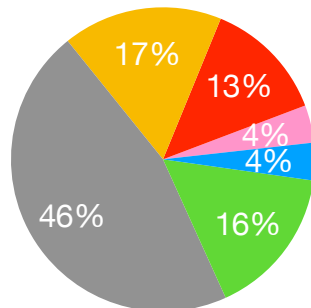
- Lead Developer** Transit X
- Accounting / CPA** big 4
- Concession Agreement** Gov't (or private)
- Financial advisor** EACP
- Program Management** AECOM
- Bankable Study** KPMG/PwC/EY
- Insurance** Lloyds of London
- Transit Engineering** Capgemini
- Civil Works** Competitive bid
- Energy Systems** Competitive bid
- Manufacturing** Multiple contracts

Project Structure



Use of Funds

- Development
- Design
- Procurement
- Implementation
- Contingency
- IDC



Use of Funds

| Task item | Cost (US\$) |
|---|--------------------|
| 1 DEVELOPMENT: 3 to 9 months | \$10.8M |
| 2 Feasibility Study with Ridership-Rev Study | 754,000 |
| 3 Environmental Impact Study | 2,263,000 |
| 4 Pilot | 1,724,000 |
| 5 Civil planning & assessment | 2,802,000 |
| 6 Contracts, Documentation & Legal | 970,000 |
| 7 Project Management | 862,000 |
| 8 Travel & Meetings | 323,000 |
| 9 Contingency for Development Phase | 1,078,000 |
| 10 IMPLEMENTATION / EPC | \$258.8M |
| 11 DESIGN: 3 to 6 months duration | 43,114,000 |
| 12 Financing fees | 7,761,000 |
| 13 Contracts & Legal | 2,587,000 |
| 14 Commission fee | 7,848,383 |
| 15 Civil Design | 7,761,000 |
| 16 Transport Design | 5,605,000 |
| 17 Utility Design | 5,174,000 |
| 18 Permitting & Approvals | 3,018,000 |
| 19 Owner's Engineer and Rep | 3,880,000 |
| 20 Project Management (through construction) | 4,311,000 |
| 21 Independent Engineering Consultant | 1,725,000 |
| 22 PROCUREMENT | 123,952,122 |
| 23 Substructure (vertical supports) | 8,677,000 |
| 24 Superstructure (guideway) | 53,299,000 |
| 25 Pods (vehicles) | 9,916,000 |
| 26 Lifts | 7,437,000 |
| 27 Solar & Wind generation | 38,425,000 |
| 28 Battery packs (energy storage) | 1,240,000 |
| 29 Shipping & Tariffs | 4,958,000 |
| 30 INSTALLATION: 12 to 18 month duration | \$45.8M |
| 31 Insurance & Bonding | 916,168 |
| Civil Structures (Podway) | 21,072,000 |
| 32 Site work | 2,107,000 |
| 33 Utility diversions | 6,743,000 |
| 34 Foundations | 5,268,000 |
| 35 Erection (labor + equipment) | 6,322,000 |
| 36 Inspections and Certifications | 632,000 |
| Rolling Stock (Pods & Lifts) | 15,117,000 |
| 37 Installation & Commissioning | 6,047,000 |
| 38 Testing & Safety Certification | 6,651,000 |
| 39 Documentation & Training | 2,419,000 |
| Facilities | 4,581,000 |
| 40 Pod cleaning facilities | 916,000 |
| 41 Repair & maintenance facilities | 962,000 |
| 42 Pod parking garage | 1,099,000 |
| 43 Control room | 1,603,000 |
| Energy Systems | 4,123,000 |
| 44 Installation | 3,298,400 |
| 45 Utility Interconnects | 824,600 |
| Other | 45,925,550 |
| 46 15% Contingency | 35,147,104 |
| 47 Interest During Construction | 10,778,445 |
| 53 TOTAL PROJECT COSTS | \$269.5M |

Business model

Operate tollway and collect fees for passenger trips, freight, and parcels. In pod direct marketing/advertising.

Renewable energy generation with storage. Utility attachment fees.

Concession Agreement with Government

- Easement rights-of-way for 5% share of revenue
- Guaranteed minimum usage by government
- 35 to 50 yr term with extension or removal at end
- A common carrier with social benefit
- Can sell and distribute renewable energy
- No land ownership
- Local content %, Job transition programs
- Clear tender process & reasonable import tariffs
- Formula for setting majority of fares.
- Utility integration with attachment fees
- Service quality levels, capped liability, safety program
- Ability to move project funds into and out of the country

Financial Strengths

- **Predictable revenue** from long-term contracts and multiple revenue streams, including PPA.
- **Durable High Margins** from long-term contracts, network effects, high barriers to entry, a platform business model, a vertically integrated system, and exclusivity.
- **Fixed price & time construction** installation of factory-built light civil infrastructure. Phased roll-out.
- **Low CAPEX** and competitive with rebuilding a roadway or transition to electric vehicles. Lightweight vehicles and loads enable low cost civil structures. Rapid construction reduces interest on debt.
- **Low OPEX** because no driver cost, no fuel cost, low maintenance and repair costs, low marketing costs
- **Low fixed OPEX** over 75% of expenses are variable and proportional to revenue.
- **Sustainable/Equitable** Clean energy and transport delivers superior ESG/SDG/Triple-bottom line
- **Proven tech** Comparable systems have been operating safety for 40+ years in US. Fixed price contracts.

Financial Projections

| | Expected | 50% less passenger trips | 50% less passenger trips & 50% less freight trips |
|---|------------------------------------|--------------------------|---|
| Project cost / CAPEX | \$269.5M | \$269.5M | \$269.5M |
| NET REVENUE | \$256.0M | \$192.9M | \$133.3M |
| Passenger fares | \$122.9M | \$61.5M | \$61.5M |
| Long-term guaranteed contracts (est.) | \$6.1M | \$3.1M | \$3.1M |
| Daily trips (% mode share) | 193,522 (47%) | 96,761 (24%) | 96,761 (24%) |
| Avg. revenue per trip: \$ | \$1.74 | | |
| Revenue per vehicle | \$263,351 | | |
| Advertising | \$3.2M | \$1.6M | \$1.6M |
| per hour per passenger | \$0.62 | | |
| Freight & Parcels | \$119.2M | \$119.2M | \$59.6M |
| Long-term guaranteed contracts (est.) | \$8.3M | \$8.3M | \$4.2M |
| Energy | \$2.5M | \$2.5M | \$2.5M |
| \$/MWh (\$/GJ) | \$30 | | |
| EV & Carbon Credits | \$5.0M | \$5.0M | \$5.0M |
| per tCO _{2e} | \$120 | | |
| Attachment fees | \$3.2M | \$3.2M | \$3.2M |
| OPEX | \$77.5M | \$61.7M | \$46.8M |
| Revenue share payments | \$12.8M | \$9.6M | \$6.7M |
| Operations & Maintenance, SG&A | \$51.2M | \$38.6M | \$26.7M |
| Depreciation / Reserve | \$13.5M | \$13.5M | \$13.5M |
| EBIT | \$178.5M | \$131.2M | \$86.5M |
| Interest Payment | \$18.2M | \$18.2M | \$18.2M |
| Net Operating Income (NOI) | \$136.3M | \$96.1M | \$58.1M |
| Gross Margin (OPEX/Revenue) | 70% | 68% | 65% |
| NOI / Project cost ratio | 0.51 | 0.36 | 0.22 |
| Breakeven Revenue | 33% | | |
| Return of Capital | 4 years | | |
| DSCR | Year 1: 3.17 Year 5: 10.57 | | |
| Cash-Flow-to-Debt Ratio | 0.60 | | |
| Valuation at year 5 (with P/E ratio of 4) | \$1.0B (19.0 times initial equity) | | |
| Project's IRR | 39% | | |

10-year Pro Forma

Dollar values in thousands USD ('000)

| Years ► | 0 | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
|---|--------------|-----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| 1 INCOME STATEMENT | | | | | | | | | | | |
| 2 Net Revenues | \$ 0 | \$ 76,793 | \$ 107,511 | \$ 150,515 | \$ 210,721 | \$ 255,978 | \$ 255,978 | \$ 255,978 | \$ 255,978 | \$ 255,978 | \$ 255,978 |
| 3 <i>% of steady-state revenue</i> | 0% | 30% | 42% | 59% | 82% | 100% | 100% | 100% | 100% | 100% | 100% |
| 4 Operating Costs | \$ 0 | 19,198 | 26,878 | 37,629 | 52,680 | 78,006 | 78,006 | 78,006 | 78,006 | 78,006 | 78,006 |
| 5 Revenue Share Payments | \$ 0.00 | 3,840 | 5,376 | 7,526 | 10,536 | 12,799 | 12,799 | 12,799 | 12,799 | 12,799 | 12,799 |
| 6 Operations & Maintenance, SG&A | \$ 0 | 15,359 | 21,502 | 30,103 | 42,144 | 51,196 | 51,196 | 51,196 | 51,196 | 51,196 | 51,196 |
| 7 Depreciation / Reserve | \$ 0 | 0 | 0 | 0 | 0 | 14,012 | 14,012 | 14,012 | 14,012 | 14,012 | 14,012 |
| 8 EBIT | \$ 0 | 57,595 | 80,633 | 112,886 | 158,041 | 177,971 | 177,971 | 177,971 | 177,971 | 177,971 | 177,971 |
| 9 Interest Payment | \$ 18,163 | \$ 18,163 | \$ 18,163 | \$ 18,163 | \$ 18,163 | \$ 18,163 | \$ 18,163 | \$ 18,163 | \$ 18,163 | \$ 18,163 | \$ 18,163 |
| 10 Taxes | \$ 0 | 5,915 | 9,371 | 14,209 | 20,982 | 23,971 | 23,971 | 23,971 | 23,971 | 23,971 | 23,971 |
| 11 Net Operating Income (NOI) | \$ (18,163) | 33,517 | 53,100 | 80,515 | 118,896 | 135,837 | 135,837 | 135,837 | 135,837 | 135,837 | 135,837 |
| 12 BALANCE SHEET | | | | | | | | | | | |
| 13 Total Assets | \$ 276,826 | 277,411 | 278,230 | 279,377 | 280,240 | 280,240 | 280,240 | 280,240 | 280,240 | 280,240 | 280,240 |
| 14 Cash & Marketable Secur. (BOP) | | | | | | | | | | | |
| 15 Fixed Assets (acquisition cost) | \$ 276,826 | 277,411 | 278,230 | 279,377 | 280,240 | 280,240 | 280,240 | 280,240 | 280,240 | 280,240 | 280,240 |
| 16 Depreciation | \$ 13,841 | 13,871 | 13,912 | 13,969 | 14,012 | 14,012 | 14,012 | 14,012 | 14,012 | 14,012 | 14,012 |
| 17 Accumulated Depreciation | \$ 13,841 | 27,712 | 41,623 | 55,592 | 69,604 | 83,616 | 97,628 | 111,640 | 125,652 | 139,664 | 153,676 |
| 18 Total Liabilities | \$ 226,347 | 226,347 | 226,347 | 226,347 | 226,347 | 226,347 | 226,347 | 226,347 | 226,347 | 226,347 | 226,347 |
| 19 Debt | \$ 226,347 | 226,347 | 226,347 | 226,347 | 226,347 | 226,347 | 226,347 | 226,347 | 226,347 | 226,347 | 226,347 |
| 20 Equity | \$ 53,892 | 87,410 | 140,509 | 221,024 | 339,920 | 475,758 | 611,595 | 747,432 | 883,269 | 1,019,107 | 1,154,944 |
| 21 Capital | \$ 53,892 | 53,892 | 53,892 | 53,892 | 53,892 | 53,892 | 53,892 | 53,892 | 53,892 | 53,892 | 53,892 |
| 22 Retained Earnings | \$ 0 | 33,517 | 86,617 | 167,132 | 286,028 | 421,865 | 557,703 | 693,540 | 829,377 | 965,214 | 1,101,052 |
| 23 CASH FLOW | | | | | | | | | | | |
| 24 Free Cash Flow | \$ (276,826) | 57,010 | 79,814 | 111,739 | 157,178 | 191,983 | 191,983 | 191,983 | 191,983 | 191,983 | 191,983 |
| 25 Cash From Operations | \$ 0 | 57,595 | 80,633 | 112,886 | 158,041 | 191,983 | 191,983 | 191,983 | 191,983 | 191,983 | 191,983 |
| 26 Increases in Working Capital | \$ 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 27 CAPEX | \$ 276,826 | 585 | 819 | 1,147 | 862 | 0 | 0 | 0 | 0 | 0 | 0 |
| 28 Fixed Infrastructure | \$ 241,403 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 29 Energy | \$ 23,182 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 30 Pods | \$ 1,463 | 585 | 819 | 1,147 | 862 | 0 | 0 | 0 | 0 | 0 | 0 |
| 31 Interest during construction | \$ 10,778 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 32 Cash Flow From/To Finance | \$ 262,077 | (18,163) | (18,163) | (18,163) | (18,163) | (18,163) | (18,163) | (18,163) | (18,163) | (18,163) | (18,163) |
| 33 Cash From/To Equity Investors | \$ 53,892 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 34 Cash From/To Debt (Principal) | \$ 226,347 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 35 Dividends | \$ 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 36 IRR to date | loss | loss | (35%) | (5%) | 14% | 26% | 32% | 34% | 37% | 39% | 39% |

Offering

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| Phase ➡ | Capital (greenfield) Investment | | | | IPO or Brownfield Investors |
|--------------------------------------|---|---|---|---|---------------------------------------|
| | Initial Development | Development Equity | Implementation Equity | Debt | |
| Amount to be Raised | \$1.1M | \$10.8M | \$42.0M | \$226.3M | |
| Status | To be raised | To be raised | Have commitment(s) | | 12-18 months from start of operations |
| Collateral/Asset | MOU and/or PPA | | Installed equipment, Tax Credits, PPA | | |
| Terms | Common + Preferred Shares | | | 5-20 year term Limited Recourse | Dividends and share of profits |
| Exit | Exit at start of implementation (12-18 months) | | Exit @ 18 months after start of operations | n/a | Dividends and profit distribution |
| Investment goals | Risk-adjusted returns or Bank Guarantee (BG) | | >20% IRR | Low risk of default | Long-term, dependable cash flow |
| Target Return on Capital | 72% (or 15% with BG) | 54% (or 15% with BG) | 36% | n/a | 15% |
| Use of Funds & Milestones | Contract for Bankable Feasibility Study. Environmental impact Route Survey. Pilot ordered. Create project company in country. | Permits & Planning. Major contracts signed. Pilot installed. Full investment docs. Concession signed. | Overall Design and Docs. First phase procurement and implementation. Insurance & bonding. | Remaining Procurement, installation, and commissioning. | |