

# Naga, 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) \$404.1M**

\$2.7M per route-km

\$3,034 per resident cost

**Annual Revenue \$253.8M**

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

**Operating Expenses (OPEX) \$83.6M**

Rev share, monitor, security, clean, maintain

**Net Operating Income \$121.5M**

Multiple scenarios and metrics on page 4



## Project Details

### Length: 150 km

Guideway with stainless steel exterior, aluminum rails, galvanized steel supports at 24 m (79 ft) spacing. Expected 75+ year lifespan.

### Number of Vehicles: 948

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

### Number of Access Points: 1,009

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: 120K

72 km/h (45 mph) non-stop. Convenient to population of 119,866. Integrates with existing travel modes. Provides car-like convenience and train-like capacity.

### Renewable Energy System: 34.8 MW

35 MW generation of clean and renewable energy. GHG reduction of 32,400 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 04/2023**

**First phase Permitted 05/2023**

**On-site Pilot installed 07/2023**

**Concession Signed 07/2023**

**Financial close 07/2023**

**First phase operational 01/2024**

**Full system operational 08/2024**

## 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

- 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

## CONFIDENTIAL

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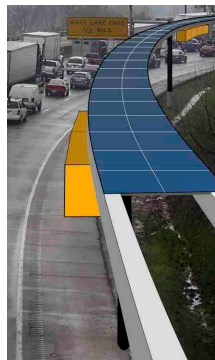
### Naga, Cebu, Philippines Solar Podway Project Feasibility Study

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. Testing underway and operational in Q4 2022.

## Government commitments

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

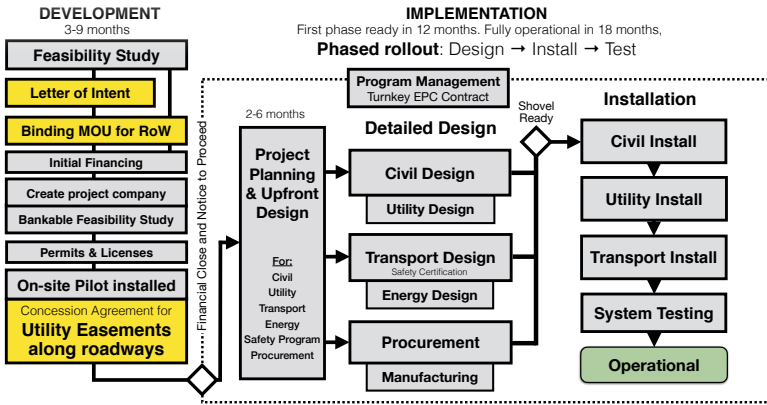
Feasibility Study and Industry Report available upon request.

**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

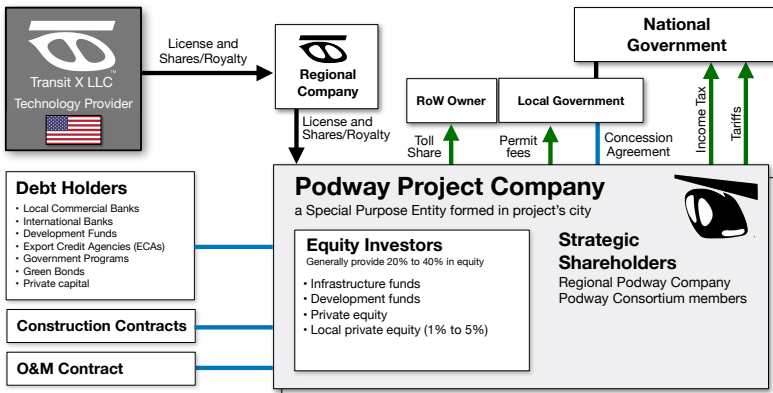


Top-level timeline and schedule

## Partners and Major Contracts

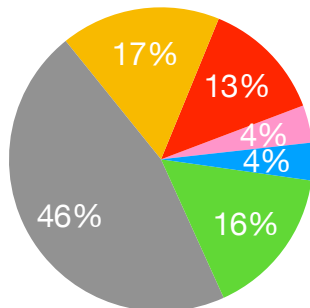
- Lead Developer** Transit X
- Accounting / CPA** big 4
- Concession Agreement** Gov't (or private)
- Financial advisor** EACP
- Program Management** AECOM
- Bankable Study** KPMG/PwC/EY
- Insurance** Lloyds of London
- Transit Engineering** Capgemini
- Civil Works** Competitive bid
- Energy Systems**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

## Project Structure



## Use of Funds

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



## Use of Funds

Task item	Cost (US\$)
<b>1 DEVELOPMENT: 3 to 9 months</b>	<b>\$16.2M</b>
2 Feasibility Study	1,778,000
3 Ridership-Revenue Study	1,131,000
4 Pilot	2,586,000
5 Civil planning & assessment	5,818,000
6 Contracts, Documentation & Legal	1,455,000
7 Project Management	1,293,000
8 Travel & Meetings	485,000
9 Contingency for Development Phase	1,616,000
<b>10 IMPLEMENTATION / EPC</b>	<b>\$388.1M</b>
<b>11 DESIGN: 3 to 6 months duration</b>	<b>64,649,000</b>
12 Financing fees	11,637,000
13 Contracts & Legal	3,879,000
14 Commission fee	11,768,544
15 Civil Design	11,637,000
16 Transport Design	8,404,000
17 Utility Design	7,758,000
18 Permitting & Approvals	4,525,000
19 Owner's Engineer and Rep	5,818,000
20 Project Management (through construction)	6,465,000
21 Independent Engineering Consultant	2,586,000
<b>22 PROCUREMENT</b>	<b>185,864,543</b>
23 Substructure (vertical supports)	13,011,000
24 Superstructure (guideway)	79,922,000
25 Pods (vehicles)	14,869,000
26 Lifts	11,152,000
27 Solar & Wind generation	57,618,000
28 Battery packs (energy storage)	1,859,000
29 Shipping & Tariffs	7,435,000
<b>30 INSTALLATION: 12 to 18 month duration</b>	<b>\$68.7M</b>
31 Insurance & Bonding	1,373,781
<b>32 Civil Structures (Podway)</b>	<b>31,597,000</b>
33 Site work	3,160,000
34 Utility diversions	10,111,000
35 Foundations	7,899,000
36 Erection (labor + equipment)	9,479,000
37 Inspections and Certifications	948,000
<b>38 Rolling Stock (Pods &amp; Lifts)</b>	<b>22,667,000</b>
39 Installation & Commissioning	9,067,000
40 Testing & Safety Certification	9,973,000
41 Documentation & Training	3,627,000
<b>42 Facilities</b>	<b>6,869,000</b>
43 Pod cleaning facilities	1,374,000
44 Repair & maintenance facilities	1,442,000
45 Pod parking garage	1,649,000
46 Control room	2,404,000
<b>47 Energy Systems</b>	<b>6,182,000</b>
48 Installation	4,945,600
49 Utility Interconnects	1,236,400
<b>50 Other</b>	<b>68,864,745</b>
51 15% Contingency	52,702,611
52 Interest During Construction	16,162,134
<b>53 TOTAL PROJECT COSTS</b>	<b>\$404.1M</b>



# 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
<b>Project cost / CAPEX</b>	<b>\$404.1M</b>	<b>\$404.1M</b>	<b>\$404.1M</b>
<b>NET REVENUE</b>	<b>\$253.8M</b>	<b>\$192.2M</b>	<b>\$134.0M</b>
<b>Passenger fares</b>	<b>\$120.0M</b>	<b>\$60.0M</b>	<b>\$60.0M</b>
Long-term guaranteed contracts (est.)	\$6.0M	\$3.0M	\$3.0M
Daily trips (% mode share)	188,886 (47%)	94,443 (24%)	94,443 (24%)
Avg. revenue per trip: \$	\$1.74		
Revenue per vehicle	\$267,697		
<b>Advertising</b>	<b>\$3.1M</b>	<b>\$1.6M</b>	<b>\$1.6M</b>
per hour per passenger	\$0.62		
<b>Freight &amp; Parcels</b>	<b>\$116.4M</b>	<b>\$116.4M</b>	<b>\$58.2M</b>
Long-term guaranteed contracts (est.)	\$8.1M	\$8.1M	\$4.1M
<b>Energy</b>	<b>\$6.3M</b>	<b>\$6.3M</b>	<b>\$6.3M</b>
\$/MWh (\$/GJ)	\$30		
<b>EV &amp; Carbon Credits</b>	<b>\$4.8M</b>	<b>\$4.8M</b>	<b>\$4.8M</b>
per tCO <sub>2e</sub>	\$120		
<b>Attachment fees</b>	<b>\$3.1M</b>	<b>\$3.1M</b>	<b>\$3.1M</b>
<b>OPEX</b>	<b>\$83.6M</b>	<b>\$68.3M</b>	<b>\$53.7M</b>
Toll share	\$12.7M	\$9.6M	\$6.7M
Operations & Maintenance, SG&A	\$50.8M	\$38.4M	\$26.8M
Depreciation / Reserve	\$20.2M	\$20.2M	\$20.2M
<b>EBIT</b>	<b>\$170.1M</b>	<b>\$124.0M</b>	<b>\$80.3M</b>
<b>Interest Payment</b>	<b>\$27.2M</b>	<b>\$27.2M</b>	<b>\$27.2M</b>
<b>Net Operating Income (NOI)</b>	<b>\$121.5M</b>	<b>\$82.2M</b>	<b>\$45.1M</b>
<b>Gross Margin (OPEX/Revenue)</b>	<b>67%</b>	<b>64%</b>	<b>60%</b>
NOI / Project cost ratio	0.30	0.20	0.11
Breakeven Revenue	42%		
Return of Capital	5.4 years		
DSCR	Year 1: 2.10 Year 5: 6.99		
Cash-Flow-to-Debt Ratio	0.36		
Valuation at year 5 (with P/E ratio of 4)	\$1.0B (12.6 times initial equity)		
<b>Project's IRR</b>	<b>27%</b>		

# 10-year Pro Forma

Dollar values in thousands USD ('000)

Years ►	0	1	2	3	4	5	6	7	8	9	10
<b>1 INCOME STATEMENT</b>											
2 <b>Net Revenues</b>	\$ 0	\$ 76,133	\$ 106,586	\$ 149,221	\$ 208,909	\$ 253,777	\$ 253,777	\$ 253,777	\$ 253,777	\$ 253,777	\$ 253,777
3 <i>% of steady-state revenue</i>	0%	30%	42%	59%	82%	100%	100%	100%	100%	100%	100%
4 <b>Operating Costs</b>	\$ 0	19,033	26,647	37,305	52,227	84,455	84,455	84,455	84,455	84,455	84,455
5 <b>Toll Share</b>	\$ 0.00	3,807	5,329	7,461	10,445	12,689	12,689	12,689	12,689	12,689	12,689
6 <b>Operations &amp; Maintenance, SG&amp;A</b>	\$ 0	15,227	21,317	29,844	41,782	50,755	50,755	50,755	50,755	50,755	50,755
7 <b>Depreciation / Reserve</b>	\$ 0	0	0	0	0	21,011	21,011	21,011	21,011	21,011	21,011
8 <b>EBIT</b>	\$ 0	57,100	79,940	111,915	156,682	169,322	169,322	169,322	169,322	169,322	169,322
9 <b>Interest Payment</b>	\$ 27,235	\$ 27,235	\$ 27,235	\$ 27,235	\$ 27,235	\$ 27,235	\$ 27,235	\$ 27,235	\$ 27,235	\$ 27,235	\$ 27,235
10 <b>Taxes</b>	\$ 0	4,480	7,906	12,702	19,417	21,313	21,313	21,313	21,313	21,313	21,313
11 <b>Net Operating Income (NOI)</b>	\$ (27,235)	25,385	44,799	71,979	110,030	120,774	120,774	120,774	120,774	120,774	120,774
<b>12 BALANCE SHEET</b>											
13 <b>Total Assets</b>	\$ 416,886	417,457	418,256	419,375	420,215	420,215	420,215	420,215	420,215	420,215	420,215
14 <b>Cash &amp; Marketable Secur. (BOP)</b>											
15 <b>Fixed Assets (acquisition cost)</b>	\$ 416,886	417,457	418,256	419,375	420,215	420,215	420,215	420,215	420,215	420,215	420,215
16 <b>Depreciation</b>	\$ 20,844	20,873	20,913	20,969	21,011	21,011	21,011	21,011	21,011	21,011	21,011
17 <b>Accumulated Depreciation</b>	\$ 20,844	41,717	62,630	83,599	104,609	125,620	146,631	167,642	188,653	209,664	230,674
18 <b>Total Liabilities</b>	\$ 339,405	339,405	339,405	339,405	339,405	339,405	339,405	339,405	339,405	339,405	339,405
19 <b>Debt</b>	\$ 339,405	339,405	339,405	339,405	339,405	339,405	339,405	339,405	339,405	339,405	339,405
20 <b>Equity</b>	\$ 80,811	106,196	150,995	222,974	333,004	453,778	574,551	695,324	816,097	936,870	1,057,647
21 <b>Capital</b>	\$ 80,811	80,811	80,811	80,811	80,811	80,811	80,811	80,811	80,811	80,811	80,811
22 <b>Retained Earnings</b>	\$ 0	25,385	70,184	142,163	252,193	372,967	493,741	614,514	735,287	856,060	976,836
<b>23 CASH FLOW</b>											
24 <b>Free Cash Flow</b>	\$ (416,886)	56,529	79,141	110,797	155,841	190,332	190,332	190,332	190,332	190,332	190,332
25 <b>Cash From Operations</b>	\$ 0	57,100	79,940	111,915	156,682	190,332	190,332	190,332	190,332	190,332	190,332
26 <b>Increases in Working Capital</b>	\$ 0	0	0	0	0	0	0	0	0	0	0
27 <b>CAPEX</b>	\$ 416,886	571	799	1,119	841	0	0	0	0	0	0
28 <b>Fixed Infrastructure</b>	\$ 352,212	0	0	0	0	0	0	0	0	0	0
29 <b>Energy</b>	\$ 47,085	0	0	0	0	0	0	0	0	0	0
30 <b>Pods</b>	\$ 1,427	571	799	1,119	841	0	0	0	0	0	0
31 <b>Interest during construction</b>	\$ 16,162	0	0	0	0	0	0	0	0	0	0
32 <b>Cash Flow From/To Finance</b>	\$ 392,981	(27,235)	(27,235)	(27,235)	(27,235)	(27,235)	(27,235)	(27,235)	(27,235)	(27,235)	(27,235)
33 <b>Cash From/To Equity Investors</b>	\$ 80,811	0	0	0	0	0	0	0	0	0	0
34 <b>Cash From/To Debt (Principal)</b>	\$ 339,405	0	0	0	0	0	0	0	0	0	0
35 <b>Dividends</b>	\$ 0	0	0	0	0	0	0	0	0	0	0
36 <b>IRR to date</b>	loss	loss	(49%)	(21%)	(1%)	11%	17%	18%	14%	16%	27%

# Offering

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Phase ➡	Capital (greenfield) Investment				IPO or Brownfield Investors
	Initial Development	Development Equity	Implementation Equity	Debt	
<b>Amount to be Raised</b>	\$1.6M	\$16.2M	\$63.0M	\$339.4M	
<b>Status</b>	To be raised	To be raised	Have commitment(s)		12-18 months from start of operations
<b>Collateral/Asset</b>	MOU and/or PPA		Installed equipment, Tax Credits, PPA		
<b>Terms</b>	Common + Preferred Shares			5-20 year term Limited Recourse	Dividends and share of profits
<b>Exit</b>	Exit at start of implementation (12-18 months)		Exit @ 18 months after start of operations	n/a	Dividends and profit distribution
<b>Investment goals</b>	Risk-adjusted returns or Bank Guarantee (BG)		>20% IRR	Low risk of default	Long-term, dependable cash flow
<b>Target Return on Capital</b>	72% (or 15% with BG)	54% (or 15% with BG)	36%	n/a	15%
<b>Use of Funds &amp; Milestones</b>	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.	