

CHARGE PACIFIC

**Introducing electric mobility to Fiji
and the wider Pacific**



LOW EMISSION PATHWAYS

- Transport emits over half the CO₂ emissions in the Pacific, e-mobility offers a viable alternative.
- E-mobility is already cost competitive with ICEs, the main barrier is charging.
- Emissions reductions depend on transition to renewables. The cost of the charging network can also be reduced by pairing with solar.
- Smart chargers adjust load to match available load at the site. Solar increases energy available to chargers without requiring grid upgrades.
- Solar + Charging resonates with customers.





LEAF CAPITAL'S PROPOSED SOLUTION

- Deploying a financed EV charging + Solar solution at selected host sites.
- Partnership with Vision Investments in place to install solar and provide equity/mezzanine financing.
- Solar provides predictable revenue streams from day one.
- Charger repayments are backloaded and capped at net charger revenues. Aligns repayments with likely revenue streams and eliminates risk for hosts.

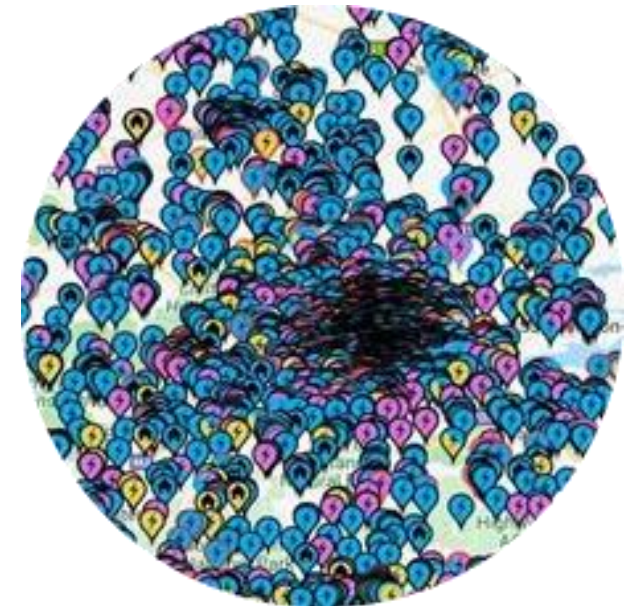
Pipeline in place

- Pipeline of solar + charging sites in place, mostly with blue-chip partners: Mobil, Fiji Gas, Jack's, etc.
- The first five chargers are in country, EFL management approval for our approach has been obtained and initial permits requests are in process.
- Combined, these installations will enable travel between Lautoka and Suva for any model of EV within three months.
- Average required recharge time will be 25-35 minutes.



THE ASK

- Leaf Capital will create an SPV to hold the infrastructure assets, segregating it from the charging business.
- Looking for a senior debt provider to reduce cost of capital, making potential return on equity more attractive to investors.
- Target cost of debt of 5% or below, limited to 50% of capital expenditure. 5+ year term.
- Current pipeline of 200 kwp of solar and 15 public chargers. Potential to add financed EVs. 2 year debt requirement of \$250k.
- Finance will allow us to rapidly expand the charging network, with solar providing guaranteed revenue, and stimulating adoption of EVs.

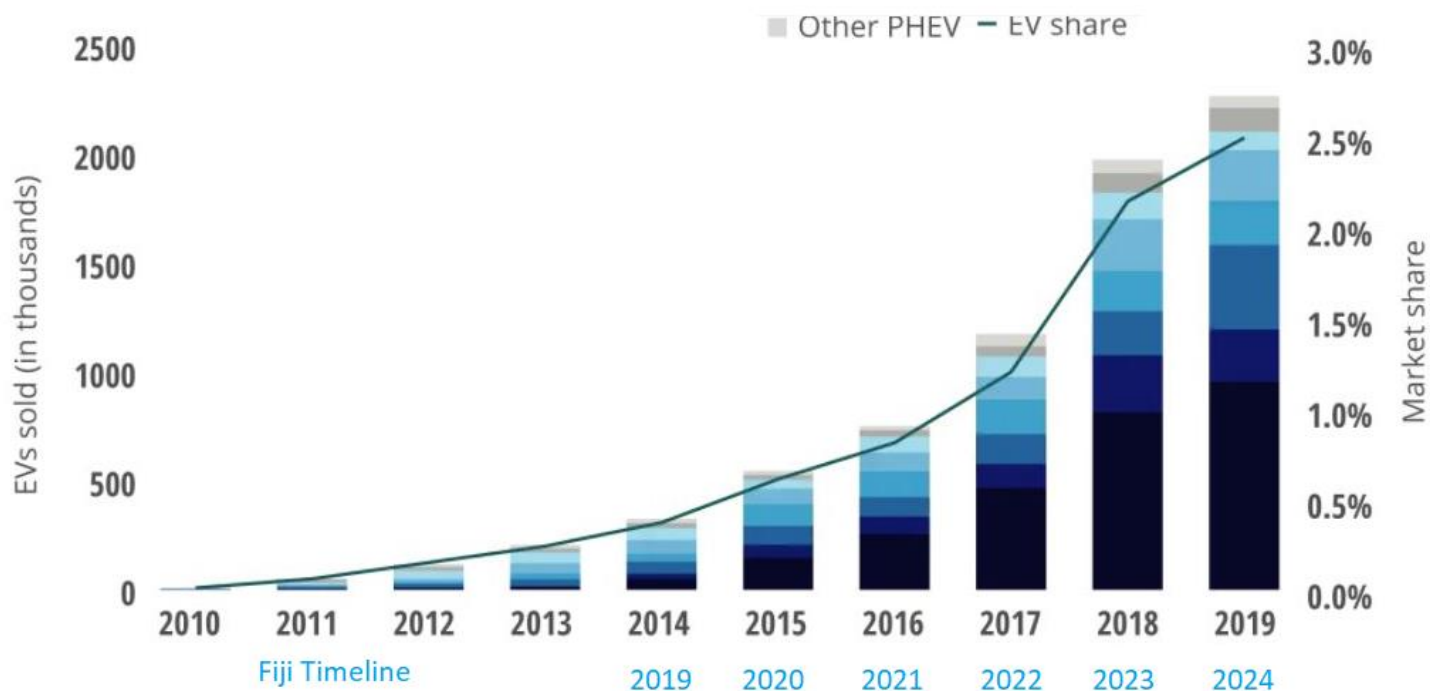


GLOBAL TRENDS

EV Adoption has increased exponentially in every market that has made investments in charging infrastructure.

A theoretical “Fiji Timeline” illustrates a potential 5 year lag.

In 2020 4.5% of new vehicles sold globally were EVs.

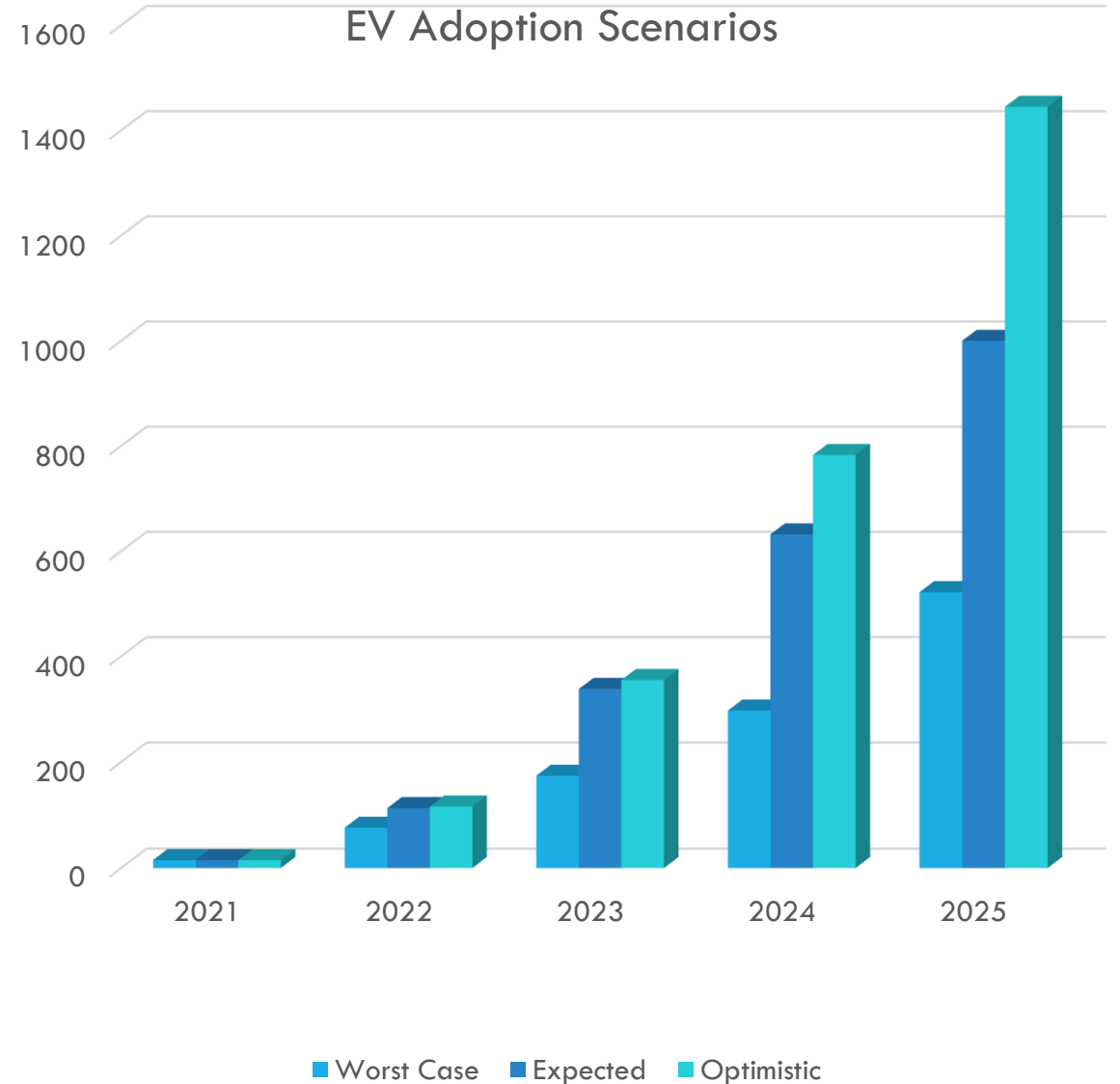


SCENARIO BUILDING

The worst-case scenario is based on EV uptake rate maintaining a 5-year lag from global figures.

Expected uptake is based on convergence with current global adoption figures and then 1.5% growth per annum, which is relatively conservative.

Best Case assumes increased car ownership, in line with projections, and continued acceleration in EV uptake rates beyond the current 4.5% global rate.





IS A “PURE” EV CHARGING BUSINESS CURRENTLY VIABLE IN FIJI?

NO:

- Tiny existing customer base (28 vehicles). Previous figures unlikely to happen without charging infrastructure.
- Very limited tangible government/donor support for deployment of innovative technologies.
- Access to finance for new technologies is difficult at best. Impossible to meet scale requirements of innovation funds. Seen as too risky for de-risking initiatives.
- Uncertain adoption timelines make equity investments in standalone chargers a difficult sell.
- Those with the most to benefit are often the most risk averse (taxis, shuttles, minibuses) and have lowest access to capital.

THE MODEL

- Bundle EVs/charging with more mature technologies in financed projects.
- PV creates immediate savings for the hosts and guaranteed returns for investors.
- Charger repayments are backloaded to align with projected uptake scenarios.
- The entire project is revenue positive making it an easy sell to companies that were unconvinced by the small savings available from solar.



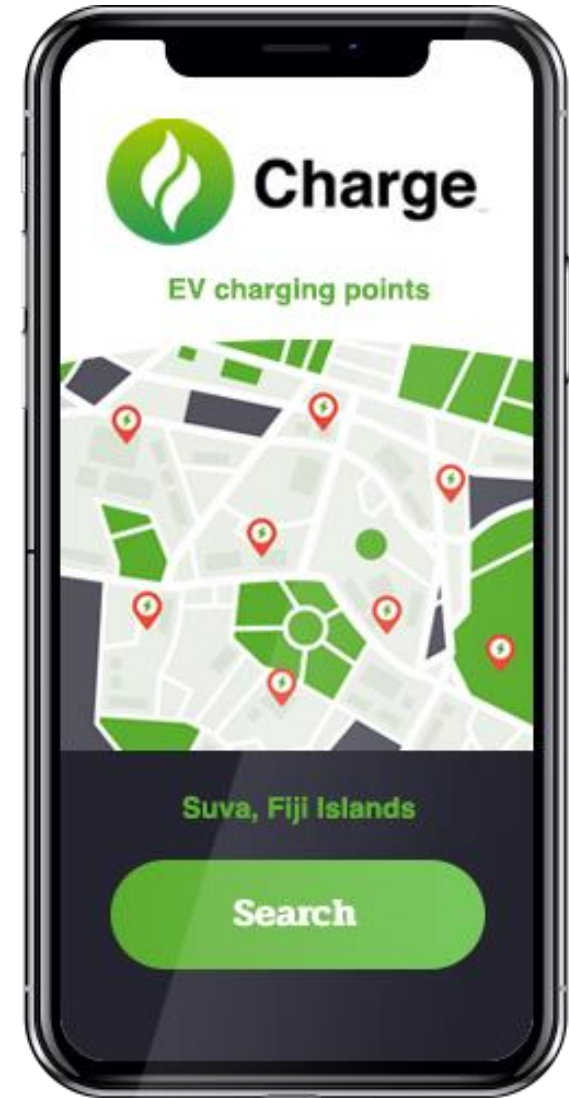
The Product: current pipeline

- Supermarket complex: 80kwp solar PV, 1/2 DC chargers & one EV Panel Van. Total Capex of USD 105,000 with IRR of 12%.
- Fuel Station: 35kwp of solar PV, 2 DC chargers. Capex of USD 55,000 with an IRR of 12%.
- Boutique Hotel: 25kwp solar PV, 1 AC charger. Total Capex of USD 30,000 with IRR of 14%.
- Car Dealership Showroom: 15kwp of solar PV, AC charger, solar powered HVAC system. Details TBC.



NETWORK EFFECT

- All chargers installed by Leaf Capital will be linked to the same Charge Point Operator software. They will be accessible through an app that manages all charging activities.
- By initially prioritizing partners in strategic locations and sectors, Leaf Capital will be able to cement an early mover advantage in the EV sphere without having to wait for widespread uptake.
- By including clauses such as charging exclusivity and emissions ownership into the long term financing arrangements, Leaf Capital will be able to secure its position in the sector.



RISKS

1. Credit Risk: customer default is the greatest risk for this sort of investment. We have so far targeted large corporates and business owners with significant liquid assets.
2. Political turmoil: Fiji has already had two coups and political risk is significant.
3. Climate Risk: Natural disasters impact the Pacific on a yearly basis. Insurances clauses will play an important role in mitigating this risk.





CHALLENGES

- **Billing:** Despite small state subsidies for EV charging installers, there remains uncertainty over how to bill for charging. We have a legal review underway.
- **Finance:** The cost of solar finance is currently high in Fiji due to the expiration of some import substitution facilities.
- While facilities exist that make accessing finance easier, their threshold is above what can easily be achieved at this stage.

ASK

Leaf Capital is looking for Equity and Debt financing for the infrastructure holding company:

- USD 200,000 in Equity/Mezzanine Finance
- USD 800,000 revolving debt facility





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