



End-to-End Franchised Project Development



Turnkey Franchise Model By **NexusNovus**

01

NexusNovus offers a **turnkey franchise model** for third-party developers who are looking to promote sustainable infrastructure projects in the waste, water, and renewable energy sectors.

02

Our **Structured Project Finance structure**, **Plug-and-Play technology design** (modular, proven, redundant and scalable) and **ProjectIQ Navigator software** (digital twin, AI/ML, big data) solutions make it easier for local promoters to access low cost project funding and launch new projects, quicker. We provide the necessary tools, expertise and network to help local developers successfully promote sustainable infrastructure projects.

03

Our focus on high-impact non-traditional renewables aligns with **the UN Sustainable Development Goals**, and is part of the just transition, creating a greener future for all."

How Do We Do That



- Structured low cost project finance

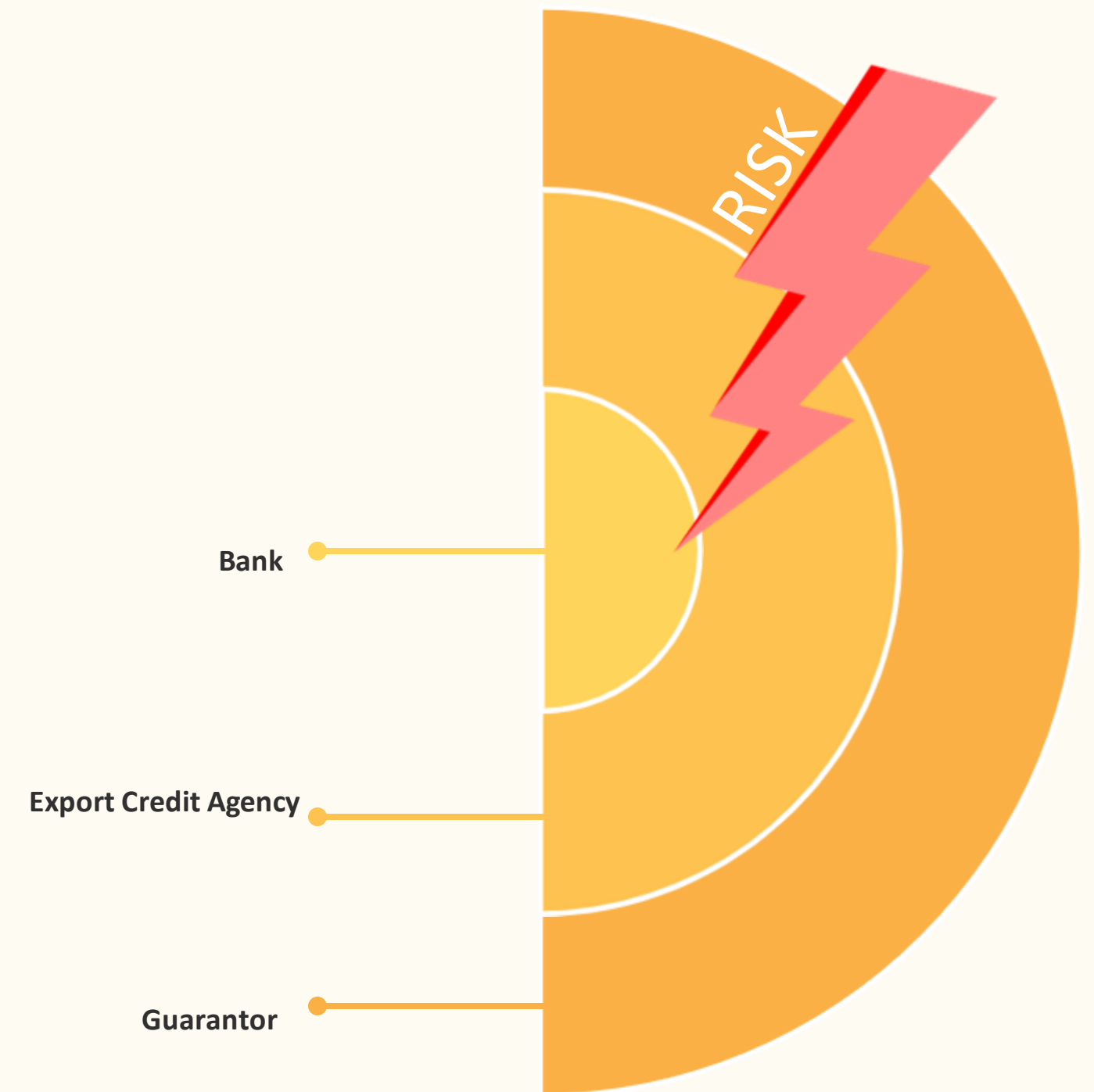
- Modular, plug-and-play technology that is proven, scalable, and sustainable

- ProjectIQ Navigator software, leveraging big data, digital twinning, and AI technology for operational excellence and continuous improvement

Nested Shields

The loan structure is like a set of nested shields that protect a project from the risk of default. Each layer of protection represents a shield that must be broken or overrun before the bank is exposed to the full risk of default.

- **The first layer of protection is the guarantor**, which is responsible for absorbing the first losses in the event of default. The guarantor's shield has a risk coverage of 100%, meaning that all losses are absorbed by the guarantor until its shield is broken.
- **The second layer of protection is the ECA**, which absorbs losses after the guarantor's shield has been broken. The ECA's shield is smaller, covering only 95% of the risk, but it is never broken because the exporting country is offering a counter-guarantee to the ECA. In the unlikely event that the counter-guarantee is called upon, the ECA's shield would be overrun and the remaining 5% project risk exposure would be presented to the bank.
- **The third and final layer of protection is the bank**, which absorbs losses after the ECA's shield has been overrun, for a maximum of just 5% of the total exposure.



Plug And Play

Redundancy

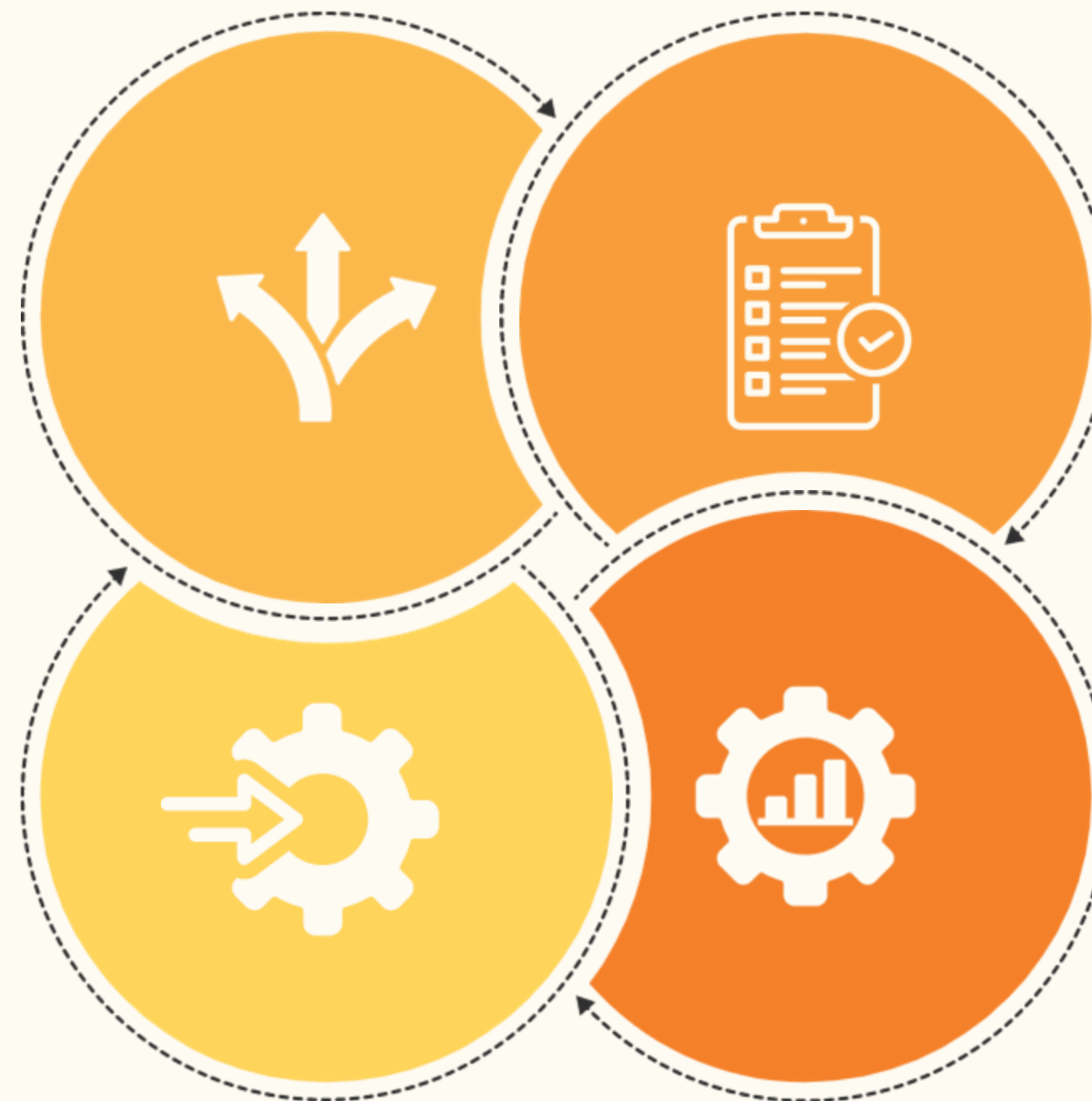
Duplication of key components for reliability

Improved system uptime and availability; reduced downtime and maintenance costs; increased operational reliability

Integration

Coordination of different parts of the system for improved efficiency

Increased efficiency and profitability; reduced energy consumption and costs; improved sustainability



Modularity

Use of modular design for flexibility and scalability

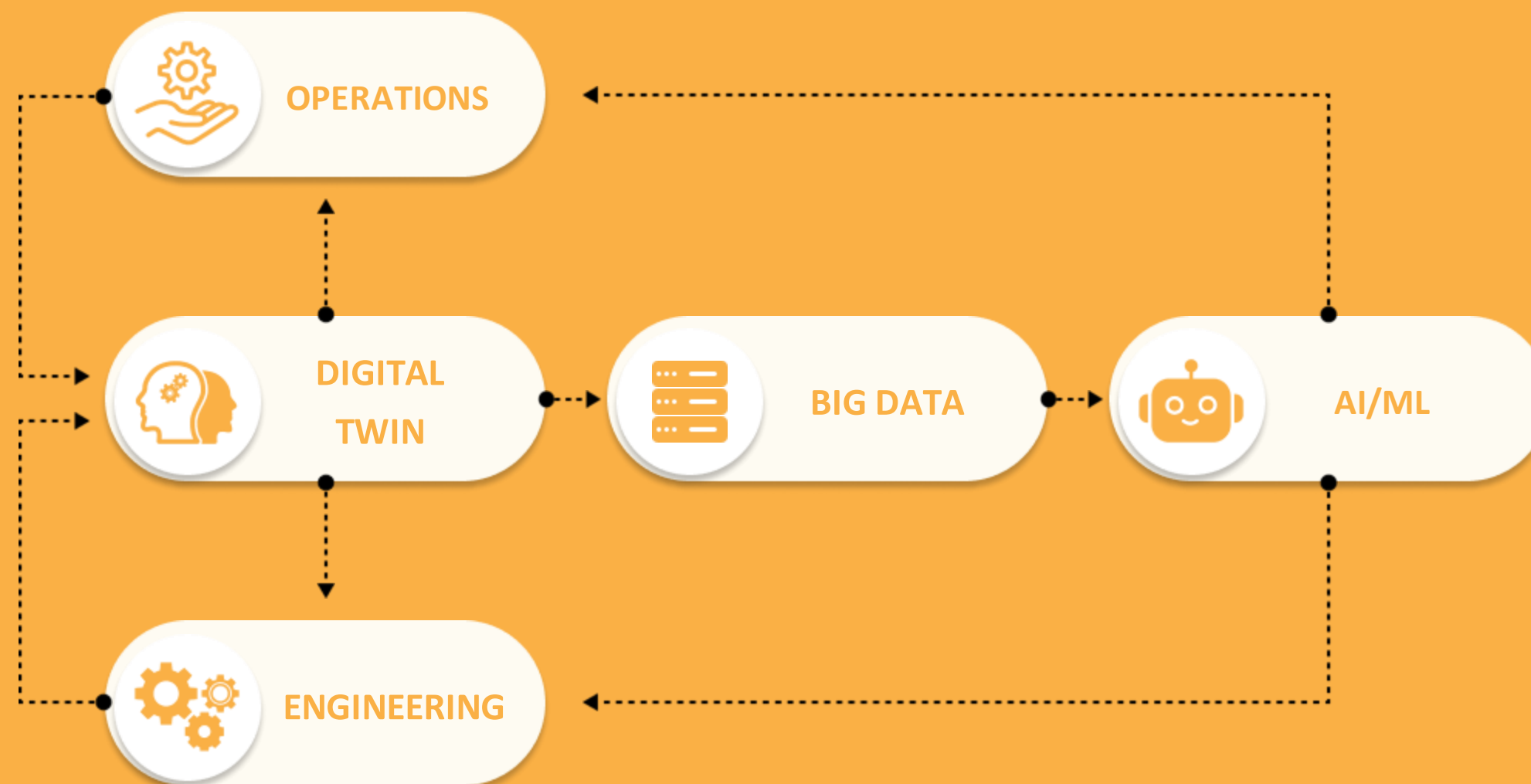
Improved system uptime and availability; reduced downtime and maintenance costs; increased operational reliability

Optimization

Maximization of system performance

Increased biogas production; reduced operational costs; improved sustainability; maximized profitability

ProjectIQ Navigator



This cycle of data collection, analysis, simulation, and implementation can be repeated continuously to enable ongoing improvements to biogas plant operations and new designs.

- Data Collection:** Collect data from various sources, such as weather data, feedstock characteristics, production output, and transportation metrics, and integrate it into a big data system.
- Analysis:** Use AI algorithms to analyze the big data and identify patterns and trends. Predictive analytics can be used to forecast future production output, machine learning can optimize processes, and anomaly detection can quickly identify and address issues.
- Simulation:** Use a digital twin or plant simulator to model the behavior of the biogas plant and test different scenarios. For example, the simulator can optimize the feedstock mix, adjust operational parameters to maximize production, and evaluate the impact of changes to the plant design.
- Implementation:** Implement the changes identified through the analysis and simulation process, and collect data to evaluate the impact of the changes in operations.
- Continuous Improvement:** Repeat the process with the new data, refining the AI models and simulation as necessary to improve performance and optimize the biogas plant.

What This Means For You

No final off-take agreements required (by bank)



Low all-in interest rate of between 2.5-4.5% p.a., over Euribor - which is significantly lower than normal project finance

No security requirements (by bank)



Favorable Debt/Equity ratio of 85/15



Required



Stable feedstock
and off-take prices

Off-take contract in
place

Feedstock contract
secured

Land lease or
procurement
contract secured

All required licenses
completed

ESIA completed and
approved

KYC and AML
compliance

A full-page background image showing a person in a blue jacket and backpack standing on a dark, rocky ridge, looking out over a vast, hazy mountain valley. In the distance, a large, snow-capped mountain peak rises above the clouds. Other small figures of climbers can be seen on the distant slopes.

How To Get There



NexusNovus will assist the local developer in navigating the "valley of death".



Fill out the "To Get There" form to the best of your ability.



NexusNovus is able to support even very early and initial initiatives, as long as they are in sub-sectors that NexusNovus is familiar with.

Compensation

Franchisee

- Sweat equity + stock options (at par) + buy-back options (at discount to fair value), totaling 50% of total project value
- Reimbursement of pre-operational costs
- Opportunity to make use of plug-and-play technology, ProjectIQ navigation and structured finance provided by NexusNovus which results into low all-in interest rates and low lifetime cost of project



Franchisor

- The Franchisor, as a fund manager, manages the financial stakeholders within the remaining equity.
- The fund has an upfront downward protection premium (as part of capex, represented as the Risk Premium rate mentioned earlier).
- The fund is compensated for the risk taken additionally by the buy-back liquidity event and dividends for the remaining equity under management.
- The local promotor will always be able to completely buy-out the fund, but this shall not be part of the initial discussions, but based on performance of the project itself.

Commitment fee

1

Commitment fee charged upon signing the term sheet

2

Fee typically ranges from 0.1% to 0.5% of loan amount

3

Amount of fee depends on level of completion of the project

Lower completion levels indicate higher effort and risk for NexusNovus.



The fine print



I. Exclusivity

- NexusNovus will have exclusivity for 6 months.
- Strong non-disclosure agreements (NDA) and non-circumvention clauses will be included in the term sheet.

II. Development Costs

- The local developer shall always be responsible for all pre-operational costs, including:
 - Due diligence on promoters
 - Environmental and Social Impact Assessment (ESIA)
 - Pre-engineering
 - Feasibility study
 - Financial modeling
- All pre-operational costs are reimbursable.

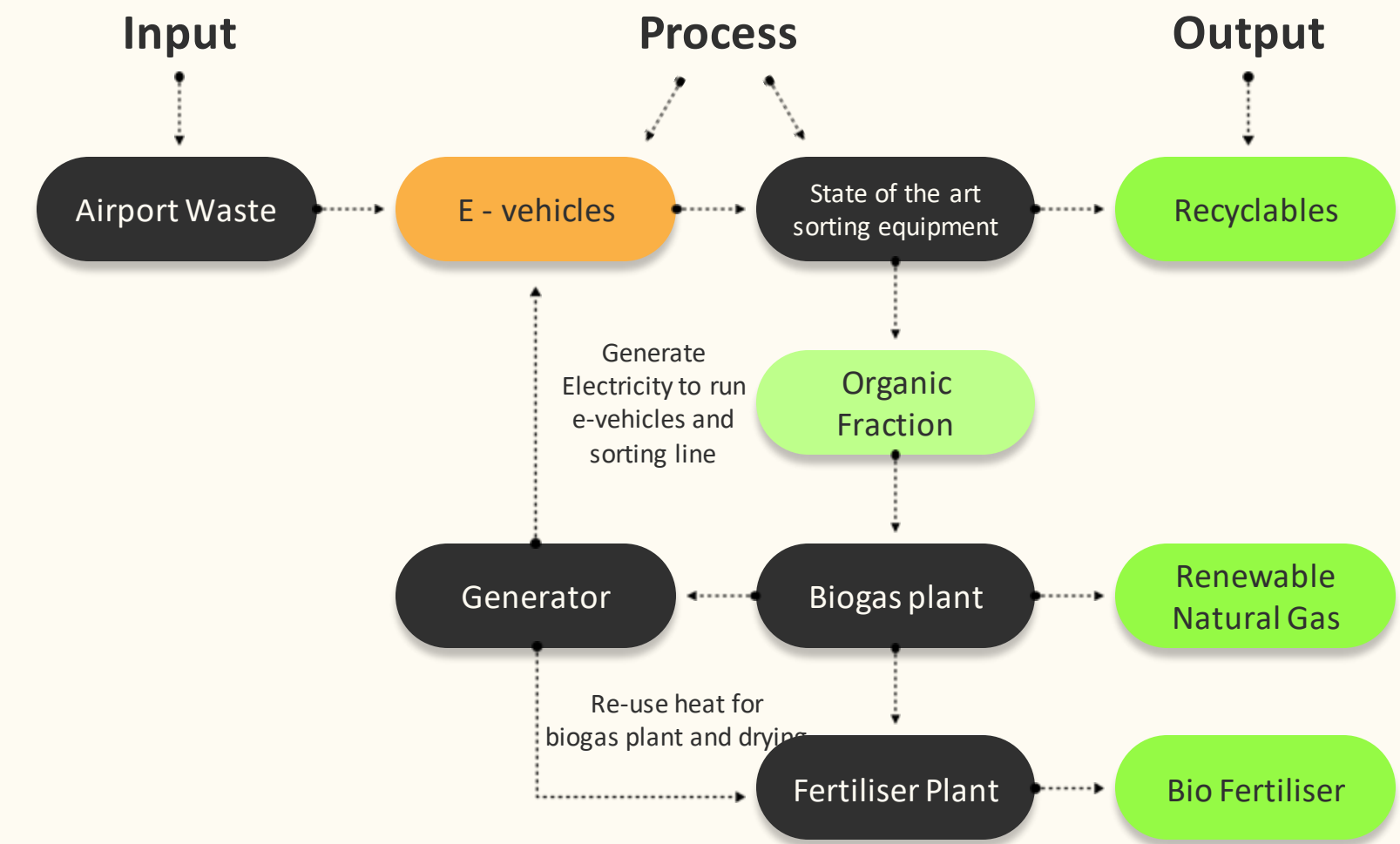
III. Governance and Control (during repayment)

- All financial controls will be with NexusNovus.
- Operational controls with Local Promotor, however, NexusNovus will benchmark performance against other projects in portfolio using its ProjectIQ Navigation.
- NexusNovus shall always have +1 director compared to local promotor.

IV. Intellectual Property (IP)

- Whatever the local promotor brings in is theirs.
- The big data as part of the ProjectIQ Navigation shall always be NexusNovus'.

Case study – Bangalore Airport waste management



Component	Capacity	Feedstock	Output
Sorting line	60 TPD	MSW	Recyclables and organic fraction
Biogas plant	50 TPD	Organic fraction and sorted organic waste	Renewable Natural gas and digestate
Organic Manure plant	30 TPD	Digestate	Organic Manure

Status: operational since March 2023

Contact Us



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